

Founders Pledge Ltd

England & Wales · Charity number 1162201

Details

Other names	FOUNDERS FOR GOOD LTD, FOUNDERS FORUM FOR GOOD LIMITED, FFFG
Status	Registered
Legal form	Charitable company
Company number	08565148
Registered	2015-06-15
Register	View on the Charity Commission register

Contact

Address	Runway East New City Court 20 St. Thomas Street London SE1 9RS
Phone	02080640186
Email	ops@founderspledge.com
Website	www.founderspledge.com

Activities

Objects: 5.1 TO SUPPORT THE CHARITABLE SECTOR BY PROMOTING AND IMPROVING THE EFFICIENCY AND EFFECTIVENESS OF METHODS USED TO SECURE CHARITABLE RESOURCES, IN PARTICULAR (BUT NOT EXCLUSIVELY) BY RAISING AWARENESS AMONG INDIVIDUALS INVOLVED IN THE DIGITAL BUSINESS COMMUNITY; 5.2 TO ADVANCE THE EDUCATION OF INDIVIDUALS AND ORGANISATIONS WORKING IN TECHNOLOGY, DIGITAL MEDIA AND OTHER DIGITAL INDUSTRIES AS TO THE WAYS IN WHICH THEIR BUSINESS KNOWLEDGE AND EXPERIENCE COULD BE USED TO IMPROVE THE EFFECTIVENESS OF CHARITIES, IN PARTICULAR BUT NOT EXCLUSIVELY BY: 5.2.1 THE PROVISION OF TRAINING; AND 5.2.2 THE PROVISION OF EDUCATIONAL PROGRAMMES. 5.3 TO FURTHER SUCH PURPOSE OR PURPOSES WHICH ARE EXCLUSIVELY CHARITABLE ACCORDING TO THE LAW OF ENGLAND AND WALES IN SUCH MANNER AS THE TRUSTEES IN THEIR ABSOLUTE DISCRETION THINK FIT.

Activities: We support the charitable sector by improving the efficiency/effectiveness of methods used to secure charitable resources, in particular by raising awareness in the digital business community. We are

also advancing the education of individuals and organisations working in the tech/digital sectors as to the ways in which their business and experience could help to improve charity effectiveness.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Education/training
- **Who:** Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Germany
- United States
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£245,809,417	£156,200,602	£128,956,284	64
2023-12-31	£111,338,352	£108,291,142	£38,390,785	61
2022-12-31	£53,702,104	£45,944,643	£34,881,441	54
2021-12-31	£41,769,485	£35,637,551	£26,031,040	40
2020-12-31	£19,764,366	£9,842,428	£19,926,995	54

Trustees

Name	Role	Appointed
Vikrant Bhargava	Chair	2022-06-23
Andreas Haug		2024-09-16
Anna McKelvey		2024-01-17
Erin Marie Platts		2024-05-20
Isobel Morton		2023-12-01
Luke Hsi Lin Ding		2022-06-23

Founders Pledge Ltd

England & Wales - Charity number 1162201

Accounts

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

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FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Trustees

V Bhargava
R I Chapman
L H L Ding
I Morton
A McLoughlin (resigned 20 September 2024)
A McKelvey (appointed 17 January 2024)
E M Platts (appointed 20 May 2024)
A Haug (appointed 20 September 2024)

Company registered number

08565148

Charity registered number

1162201

Registered office

Runway East
20 St. Thomas Street
London
SE1 9RS

Chief executive officer

D Goldberg

Independent auditor

Crowe U.K. LLP
Fourth Floor
St James House
St James' Square
Cheltenham
GL50 3PR

Bankers

JP Morgan Chase
401 California Street
San Francisco
CA 94104

HSBC Innovation Bank Limited
Alphabeta
14-18 Finsbury Square
London
EC2A 1BR

Pictet Group
6th Floor
5 Stratton Street
London
W1J 8LA

Silicon Valley Bank
14-18 Finsbury Square
London
EC2A 1BR

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Legal Advisor	Cooley UK LLP 69 Old Broad Street London EC2M 1 QS
Legal Advisors	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT
Legal Advisor	Withers Worldwide 20 Old Bailey London EC4M 7AN
Legal Advisor	Mishcon de Reya LLP Africa House 70 Kingsway London WC2B 6AH
Legal Advisor	Watson, Farley & Williams 15 Appold St London EC2A 2HB

Trustees Report

For the year ended 31 December 2024

(for inclusion in the 2024 Consolidated Financial Statement)

The Trustees present their annual report and strategic report, together with the audited financial statements for the year 1 January 2024 to 31 December 2024. This report is intended for Founders Pledge as a group comprising Founders Pledge Ltd, Founders Pledge Inc and Founders Pledge gGmbH, and all references to the “group” are intended to refer to all three entities. Founders Pledge Ltd also wholly owned Founders Pledge Trading Ltd, a dormant company, which was dissolved in April 2024. Separately, Pledge Ventures Ltd is an associate company of Founders Pledge Ltd.

The Trustees confirm that the annual report and financial statements of the group comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by the updates.

Administrative Details for Founders Pledge Ltd

Charity Number: 1162201

Company Number: 08565148

Trading Name: Founders Pledge

The Trustees of Founders Pledge Ltd are:

- Vikrant Bhargava (Chair)
- Robert Chapman
- Luke Ding
- Isobel Morton
- Anna McKelvey (appointed January 2024)
- Erin Platts (appointed May 2024)
- Andreas Haug (appointed September 2024)

Former Trustees who resigned within the year:

- Andrew McLoughlin (resigned in September 2024)

All Trustees can be reached via the principal office address of Founders Pledge Ltd: Runway East, 20 St Thomas Street, London SE1 9RS.

Strategic Report

Mission, Vision and Model

Founders Pledge's mission is to empower entrepreneurs to do the most good possible with their charitable giving. Our vision is that the value created by technology benefits those who need it most. We work to achieve this by helping our members become more informed and strategic philanthropists.

Once a member has joined Founders Pledge (FP), we connect with them through a range of tailored engagement opportunities. Guided by our theory of change, each member's journey is unique—there's no fixed sequence or number of intervention activities they necessarily experience before making grants to charities. However, we believe that meaningful engagement with at least one intervention significantly increases the likelihood that a member will actively support our mission.

Intervention activities include: our Community, Events, and Communications teams engaging members; our Research team identifying the highest-impact funding opportunities (HIFO) within chosen cause areas, which are then shared with members by our Advisory team. In parallel, our Philanthropic Services (PS) and Product teams provide services that make members' giving convenient, seamless and secure, ensuring due diligence and enhancing member confidence.

Our key output is to move *additional* money to our recommended HIFO. This reflects counterfactual impact: more money reaches these opportunities as a direct result of our work than would have otherwise. This can happen through direct influence - for example when we recommend a specific HIFO to a member, or when they discover it through our Member App or tailored communications. It can also occur indirectly, such as when a member is inspired to give more overall due to our support in helping them honour and expand their pledge, or when our PS team facilitates their donation in a way that enables greater giving.

There are also secondary outputs that are either a positive byproduct of our work or easy wins that we take because they are still positive even if they are not what we optimise for. These include members giving more to charity in general, giving to non-HIFO non-profits that were comparatively better than the alternatives, learning about impactful giving, our published research, or members supporting a wider culture of charitable giving by signalling their philanthropy to their peers.

Our Achievements

In 2024, our community guided more than \$238m (£186m) to the charitable sector, through Founders Pledge's Donor Advised Funds (DAFs), thematic Funds or other giving channels.

Through our members (including Philanthropy Partners) and the wider public, more than \$143m (£112m) was granted to our recommended HIFO. We welcomed 130 new members who pledged a total of \$549m (£430m).

Member Journey

Despite ongoing economic headwinds in 2024 - including continued lower liquidity among many of our members and a still-constrained venture funding environment - we saw strong engagement across many service areas. Members remained active in deploying funds to HIFOs, participating in events and retreats, engaging with our research, and seeking guidance through our advisory services.

Over the year, we significantly deepened engagement with our US-based membership (particularly in San Francisco and New York) through hosting a higher volume of intimate events and collaborating with aligned organisations to connect more effectively with our US audience. These efforts were part of a broader US-focused strategy aimed at growing and reinvigorating our community, and they played a key role in strengthening connections with both existing and prospective members.

We have continued to refine and improve our overall member experience across every stage of their journey in ways that will enable us to scale our offering, such as:

- Increased the size of our Growth team from 2 to 5 to enable greater reach for new members across a wider segment of the founder lifecycle;
- Deepened our focus on trust- and relationship-building as foundational elements of the member journey leading to greater HIFO giving through more targeted Community Management and Advisory practices;
- Improved features on our member app, including the launch of standardised DAF statements, multi-advisor app access, a more streamlined grantmaking and pledge user flow, and experimented with nudges to increase giving levels;
- Launching the ability for our US DAF-holders to contribute private shares, a significant enhancement given the unique cash-poor, share-rich position of many of our later stage members; and
- Introduced a new due diligence tool, allowing our PS team to support our members grantmaking more efficiently.

We continue to make efforts to increase diversity within our membership, and we work consciously to diversify attendees of and speakers at our events.

Research & Advisory

Identifying the most effective charities to solve the world's most pressing problems is a challenging but critical element of our work. During 2024, our researchers continued to identify new HIFO recommendations. We have 96 live recommendations with the ability to absorb productively approximately \$2.5 billion in funding. Our advisors continued to support our members in building tailored giving portfolios, informed by the latest charity research. With our values-based approach, our advisors guided members through big questions and helped them articulate the core values that underpinned their giving decisions.

As part of our Philanthropy Partnership programme, we work with ultra-high net worth donors in a collaborative arrangement in which we co-develop research questions in their interest areas, and integrate our evidence-based view of impact to provide the best HIFO recommendations. We also aim to expand these donors' visions of effective philanthropy. This resulted in more than \$89m of grants to charity in 2024, over \$85m of which went to HIFO.

Future Plans

We will continue to focus on how we can leverage what matters most to our community and maximise every charitable dollar. In 2030, we want to be able to actively influence \$350m to our recommended charities.

In 2025, on the path towards this goal, we plan to drive \$129m to HIFO by:

- Fostering an engaged community, who trust FP
- Diversifying our Philanthropy Partnerships through a more flexible offering
- Consciously growing non-member HIFO donation channels

- Investing and preparing for future HIFO
- Creating an environment where FP staff can perform at their best

Fundraising

Generous donations in support of our mission allow us to offer a comprehensive range of services to our members—including bespoke advisory, DAF accounts, global grantmaking, and curated events—while also making our cutting-edge research and pooled philanthropic funds available to everyone. In doing so, we empower both our members and the wider public to engage in simple, effective, and evidence-based giving that truly makes a difference.

Our fundraising strategy centres around securing medium term commitments. Membership of the Foundry (major donors giving >\$100k for members or >\$250k for non-members) requires a multi-year commitment, and Sustaining Partners (members donating >\$5k) is an annual giving programme for a larger pool of donors.

In 2024, we achieved 93% of our stretch fundraising target, which has ensured a solid fundraising foundation for 2025. We are continuing our focus on identifying and cultivating non-member donor prospects, as well as requesting multi-year gift commitments from both existing and new donors, which allow us to plan ahead and create organisational stability.

The group does not perform any fundraising activities which fall under the definitions set out in S162A of the Charities Act 2011.

Principal funding sources

Our principal funding sources are pledge fulfilment (when our members become liquid and choose to put their pledged assets into an FP DAF), member and non-member contributions into our publicly-available thematic Funds, and generous donations to support our operating expenses from our membership base, external foundations, corporations, and individuals alike. Donations from our members supported over 53% of our fundraising income in 2024.

In 2024 we received a major endorsement of our mission with an eight-figure donation, which, at the request of the donor, has been allocated between our thematic Climate Fund (95.2%) and operating expenses (4.8%). This extraordinary vote of confidence has turbocharged our capacity to do good and enabled us to expand our impact.

We were also delighted to receive the first donations from Pledge Ventures. The Trustees are confident that Pledge Ventures' commitment to donating to Founders Pledge each year will grow into a key funding source over the medium to long term.

Founders Pledge recognises the provisions of the Charities (Protection and Social Investment) Act 2016, and takes a responsible approach to its fundraising, ensuring that pledgers and potential pledgers are treated with respect. FP has not used any commercial fundraising partners or outsourced its fundraising activity. No complaints were received in respect of our fundraising operations.

Financial Review

Total income for the year was £245,809,417 (2023: £111,338,352), of which £243,011,272 (2023: £110,640,883) related to donations. This was due to the success of our Philanthropy Partnerships programme.

Our main source of income over the period was pledge income from our members and donations from individuals and philanthropists. We are especially grateful for all the contributions received without which we will not be able to fulfil our objectives.

Total expenditure for the year was £156,200,602 (2023: £108,291,142) of which £148,893,990 (2023: £101,073,249) related to grants.

Our total funds at year-end were £128,956,284 (2023: £38,390,785) of which £111,710,305 were restricted (2023: £27,712,845) and £17,245,979 (2023: £10,677,940) were unrestricted.

Going Concern

The Trustees are confident that the financial position of FP remains strong and the organisation will continue to operate as a going concern. Founders Pledge Ltd intends to remain in operation beyond the foreseeable future, supported by an ongoing dialogue with major donors regarding continued and increased funding.

As of 31 December 2024, the group had unrestricted cash reserves of \$18m (£13.7m), representing 19 months of expected operations. It also had secured additional committed funding totalling \$18.8m (£14.3m), effectively increasing this operating runway to 27 months.

While broader market conditions will continue to impact the timing of pledge fulfilment and donations to operating expenses, Founders Pledge concluded 2024 in a solid financial position with healthy cash reserves. The organisation anticipates sustained cash reserves throughout 2025 and beyond. Nevertheless, the cash position is monitored by management on a monthly basis and timely action will be taken if there are indications of reduced reserve levels.

Accordingly, the Trustees confirm their assessment that Founders Pledge is a going concern, and that there is no material uncertainty in this regard. The financial statements have therefore been prepared on that basis.

Investment Policy

We focus our investment approach on aligning financial sustainability of the organisation with the evolving needs of our members. Our portfolio encompasses a mix of assets designed to support both operational needs and philanthropic objectives.

The Trustees continue to adopt a disciplined, long-term approach to risk, accepting appropriate levels of risk, including but not limited to, inflation, commercial investment risk, currency risk and market risk, reflecting the global and multi-year nature of our grantmaking. We are comfortable with capital value volatility and currency exposure in line with our international distribution objectives and long-term funding commitments. As in prior years, we tolerate short- and medium-term volatility in capital value in pursuit of long-term gains to support charitable outcomes. Investment decisions involving non-traditional or speculative assets are considered on a case-by-case basis by the Trustees but all investments are intended to generate long-term capital gains to be distributed for charitable purposes.

As a matter of policy, FP does not actively manage funds in-house. All funds, other than short-term cash holdings, are placed with or through vetted, reputable investment management professionals. In 2024, we continued our partnership with UBS as a key investment partner. Preferential terms will continue to apply should FP's assets under management with UBS exceed \$100m by Q2 2025. As of December 2024, we have reached 81% of this target, and the Trustees remain confident that UBS will continue to deliver institutional-grade service and pricing.

We consider a range of investment options for DAF assets in line with the diverse nature of donor needs and preferences. We seek to offer options that cover a mix of exchange tradable equity funds and fixed income products that accommodate different investment time horizons, spending rates and risk tolerances within our

broader investment approach. In addition to our partnership with UBS, in response to member demand, we operate some externally-managed DAFs whereby members with at least \$2m in US/£1.5m in UK in DAF assets may make a non-binding recommendation that FP engage a registered investment advisor (RIA) of their choice to manage their DAF assets.

Reserves Policy

We maintained reserves above our agreed minimum of 12 months¹ throughout 2024. As noted above, at 31 December 2024, unrestricted cash reserves amounted to \$18m (£14m) which represents 19 months of expected operations, some 7 months above our minimum level. We have a forecasted runway of 27² months. Both these metrics are in line with our position at the start of the year. We believe that these targets continue to be both important to track for our financial health.

For 2025 we have increased our minimum reserve runway to 15 months to provide assurance during continued difficult economic conditions.

In line with the Charity Commission's definition, our free reserves stood at \$22m (£17m) which equates to our unrestricted funds excluding fixed assets.

Grant-Making Policy

The Philanthropic Services team recommends grants for approval either to the Trustees or to those with delegated authority to approve on their behalf. The team conducts due diligence on the potential recipient and as part of the approval process it is ensured that any grants made are aligned with FP's Charitable Purposes.

Stakeholder Considerations

Section 172 of the Companies Act 2006 requires the directors (Trustees) to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

- **The likely consequence of any decision in the long term**
Our mission, vision and model, as set out above, have been carefully considered and selected as a long term strategy to meaningfully address some of the world's most pressing problems. The Board routinely reviews external factors that could have an impact on the success of the charity, and ensures that we have a suitable strategy in place to continue to be able to deliver on our charitable objectives in the long term.
- **The interests of the company's employees**
The employees of the charity are critical to the success of our mission, and as such the Board gives ongoing consideration to ways in which we can ensure that employees are adequately supported in their roles. The People function prioritised the introduction of initiatives aimed to promote and encourage high performance, including a revised Performance Approach, and introduction of an employee recognition programme, and revision of our Compensation Philosophy. System optimisation and process improvement priorities led to the introduction of a new Applicant Tracking System that improved the effectiveness and diversity of our hiring practices.

¹ Reserves duration is the period that FP could continue with zero additional income (i.e. current closing cash balance divided by forward looking 12-month average spend).

² Forecast runway duration is the period that FP could continue with total secure funds (cash + funding commitments discounted to 95%) using a forward looking 12-month average spend.

- The need to foster the company's business relationships with suppliers, members and other contacts**
 Relationships with our suppliers, members and ecosystem contacts are paramount to the success of the charity. A single point of contact is assigned to each FP contact so that we can ensure a seamless and efficient experience for those who the charity works alongside. Any concerns are appropriately escalated and swiftly addressed, and we continuously receive overwhelmingly positive feedback from those members of the community with whom we have been actively engaged.
- The impact of the company's operations on the community and the environment**
 Founders Pledge recognises our responsibility to sustainability, and the impact of the charity's operations. A key focus since 2021 has been the growth of the Founders Pledge Climate Fund, which seeks to save lives that would otherwise be lost to air pollution, reduce energy poverty, and protect the planet for current and future generations. This year marked a landmark achievement with a transformative \$40m donation from a non-member - an extraordinary endorsement of the Climate Fund's impact and potential.
- The desirability of the company maintaining a reputation for high standards of business conduct**
 The Trustees are deeply committed to upholding the reputation of the charity and take their responsibilities in this regard very seriously. They carefully consider the ethical and reputational implications of all company decisions - ranging from strategic initiatives to the consideration of members, suppliers, and contractors.
- The need to act fairly as members of the company**
 The company is a company limited by guarantee, with the Trustees fulfilling the duties of members of the company. The company does not have shareholders. As such, all members have equal responsibility and rights, and each member is considered equally through the company's decision-making process and actions.

Future Performance & Risks

We take a data-led and quantitative approach to risk management. Our aim is to ensure we are allocating resources as effectively as possible to manage and mitigate risks.

Factors likely to affect future financial performance

Overall, Founders Pledge mainly relies on both grant and individual funding to support its operations. The performance of the organisation, however, is measured both in how much money we can secure in committed pledge funds, as well as how many grants we make to end charities.

The main factors in securing pledge commitments are: trust in Founders Pledge by the public and potential members; our members' ability to benefit from tax relief; the professionalism with which we can maintain our relationships with our members; and, the ability of the team to meet with founders and entrepreneurs at our own events as well as external events. The main factors in maintaining donor support for our operations are: the effectiveness of the grants we make, our ability to report that the donors' money isn't better spent elsewhere, and our ability to influence the money our members donate for grants.

Principal Risks and Uncertainties

The Trustees have established a risk management policy for the Founders Pledge group. It sets out what we do to manage risk, and who is accountable and responsible for risk management. The Trustees have overall accountability for risk management and they delegate responsibility to management for managing risk day-to-day. The Trustees have also appointed an Audit and Risk Committee which supports the Trustees in exercising their duties by advising on the effectiveness of management action in response to risk.

Risk is reported on for the group as a whole, with any entity specific risks identified as appropriate. The Trustees review risk and receive reports from the Audit and Risk Committee at every meeting.

The Trustees have considered the principal risks and uncertainties of the group and identified the following as significant risks for attention:

Risks & Uncertainties	How FP is managing the risk
Funding Stability and Donor Dependency FP relies on non-members for around half (47% in 2024) of operating expense income, and a majority of HIFO funds come from a small number of donors. A sudden withdrawal or reduction of their support, possibly due to economic downturns, strategic realignment, or dissatisfaction with FP's outcomes, could severely impact operational funding and the availability to fund HIFO. This scenario would jeopardise ongoing projects and the organisation's ability to meet its strategic goals.	To mitigate this risk, we are continuously seeking to grow and diversify our funding from new and existing members and donors, as well as corporate partnerships, and grants from charities and foundations. We secure multi-year donation commitments wherever possible, and we also carefully monitor our reserves and runway.
Data Security and Compliance In an era of increasing digital threats, the risk of data breaches poses a significant risk, particularly with the potential loss of sensitive member information. Non-compliance with stringent data protection regulations in different operational regions (UK, USA, Germany) could also lead to legal actions, substantial fines, and reputational damage, undermining trust among stakeholders.	We have and will continue to strengthen our data security infrastructure by implementing state-of-the-art cybersecurity measures, including encrypted data storage, multi-factor authentication, and regular vulnerability assessments. Comprehensive training is provided to all employees to ensure understanding and compliance with global data protection laws.
Bank and Economic Instability Founders Pledge faces exposure to global economic fluctuations and banking instability. Economic downturns or crises, such as a recession, could lead to reduced donor contributions and affect member liquidity and pledge value.	While we can neither fully predict nor influence global events. In 2024, we welcomed a new CFO to the organisation and implemented new treasury management.
Regulatory and Legal Compliance As we operate across multiple jurisdictions, we face the risk of non-compliance with complex regulations and laws. This could lead to penalties, fines, or the loss of FP's tax-exempt status. These issues could also lead to delays in grant disbursements and potentially hinder the organisation's ability to operate effectively in those regions.	We have detailed processes, including robust grantee due diligence, to mitigate the risk of breaching laws or regulations in our grantmaking. We also have 'Know Your Donor' processes to ensure we know the source of the money we receive. We will continue to work closely with external legal advisors to ensure adherence to all applicable laws and regulations.

This strategic report was approved by the Trustees in their capacity as company directors on 18 September 2025 and signed on their behalf by Vikrant Bhargava, Chair of Trustees.

Vikrant Bhargava

Vikrant Bhargava

Trustees Report

Structure, Governance and Management

Founders Pledge Ltd has two wholly owned subsidiaries, each of which have their own governance structures:

- Founders Pledge Inc, a Delaware non-stock corporation which is a 501(c)(3) private foundation registered in the USA; and
- Founders Pledge gGmbH, a registered non-profit limited liability company in Germany.

Founders Pledge Trading Ltd was a dormant company owned by Founders Pledge Ltd. It was dissolved on 2 April 2024.

As Founders Pledge Ltd has overall control, these are consolidated on a line by line basis.

Founders Pledge Ltd also has an investment in an associate, Pledge Ventures Limited. Founders Pledge Ltd holds a 45% equity investment and its share of the profits are recognised in the financial statements.

Governing Document

Founders Pledge Ltd is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new Trustees

Founders Pledge recognises that an effective Board of Trustees is essential if the charity is to be effective in achieving its objects. The Board must seek to be representative of the people with whom the charity works and must have available to it all of the knowledge and skills required to run the charity. Individual Trustees must have sufficient knowledge, both of trusteeship in general and of the charity's activities, to enable them to carry out their role and to represent the charity at meetings and other events.

Individuals who appear suitable candidates will be invited to attend individual meetings with existing Trustees and will receive further information regarding the role of being a Trustee. If, following this meeting, at least two Trustees wish to proceed the candidate will need to be approved by a two-thirds vote of existing Trustees. New Board members are inducted via sharing a data-pack of relevant reading materials, after which a series of meetings are scheduled with relevant employees for briefing and Q&A.

Decision-Making

The Trustees focus on strategy, performance and assurance, and delegate operational matters to the CEO and staff of Founders Pledge. Specific Trustee delegations are set out in the Founders Pledge Signing Matrix. Trustees approve budgets, policies, and remuneration proposals for the CEO. All grants are approved by the Trustees or by senior staff according to the Founders Pledge Due Diligence and Grant-Making Policy. The Founders Pledge Signing Matrix and the Financial Approvals Matrix outline where Trustees delegate approvals and signatory authority to staff members and at which thresholds. Staff proactively bring any decisions which are high risk or novel to the Trustees for their oversight, and the Trustees regularly review the Founders Pledge risk register and make recommendations. The Audit and Risk Committee also make recommendations to the Trustees to inform their decision making.

Pay policy for key management personnel

The Trustees consider and assess pay levels for all staff taking into account market conditions as well as individual roles and responsibilities. The pay of senior personnel is reviewed annually by the Trustees to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Objectives and Activities

Objectives and aims for the public benefit

The objects of the Charity are:

- to support the charitable sector by promoting and improving the efficiency and effectiveness of methods used to secure charitable resources, in particular (but not exclusively) by raising awareness among individuals involved in the digital business community;
- to advance the education of individuals and organisations working in technology, digital media and other digital industries as to the ways in which their business knowledge and experience could be used to improve the effectiveness of charities, in particular but not exclusively by:
 - the provision of training; and
 - the provision of educational programmes
- to further such purpose(s) which are exclusively charitable according to the law of England and Wales in such manner as the Trustees in their absolute discretion think fit.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant-making policy for the year.

The Charity carries out these objects through its charitable activities by:

- Delivering 25 events in 2024 and engaging a total of 275 members of the FP community. Our offering included a multi-day winter ski retreat in France, a multi-day summer retreat in Morocco, and a one-day immersive event in California. In January 2025, we again delivered our flagship ski retreat; later this year we will host another one-day retreat in the US as well as a summer retreat in Italy. We will continue to increase our reach globally by offering community gatherings across the US and Europe (including UK, Germany, France, Sweden, the Netherlands) including intimate dinners and larger networking events.
- Making a significant number of grants: as at 31 December 2024, we and our members had made over 4,000 grants all-time, of which 18% were made in 2024. All time, we have moved \$298m to more than 150 high impact recipients.
- Maintaining our ambition to grow our community of members and increase the pledge value of commitments.
- Continuing to expand our research expertise and publishing a number of reports, on topics ranging from artificial intelligence, climate change and track II diplomacy, which are available online.

As at 31 December 2024, our members have committed nearly \$11 billion to the charitable sector by signing a Founders Pledge pledge.

Statement of Trustees Responsibilities

The Trustees (who are also directors of Founders Pledge Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and UK Generally Accepted Accounting Practice (UK Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true

and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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 charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's articles of association. 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.

Disclosure of Information to Auditors

The Trustees reappointed Crowe U.K. LLP as their auditors for this accounting period. Insofar as each of the Trustees of the charity at the date of approval of this report is aware, there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the group's auditor is aware of that information.

Crowe U.K. LLP have expressed a willingness to be reappointed as auditors, in accordance with section 487 of the Companies Act 2006.

This report was approved by the Trustees in their capacity as company directors on 18 September 2025 and signed on their behalf by Vikrant Bhargava, Chair of Trustees.

Vikrant Bhargava

Vikrant Bhargava

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS PLEDGE LTD

Opinion

We have audited the financial statements of Founders Pledge Ltd ('the Charitable Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the Charitable Company's affairs as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS PLEDGE LTD (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Director's Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS PLEDGE LTD (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the Trustees (who are also the Directors of the Charitable Company for the purposes of Company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102) 2019 and the Internal Revenue Service for compliance with the local tax regulations in the United States of America. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Charitable Company and the Group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Charitable Company and the Group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Taxation legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of fundraising income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing of fundraising income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

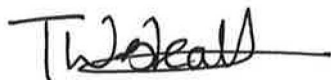
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS PLEDGE LTD (CONTINUED)

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

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

Use of our report

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



Tara Westcott (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Fourth Floor

St James House

St James' Square

Cheltenham

GL50 3PR

Date: 25 September 2025

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations	4	7,003,009	236,008,263	243,011,272	110,640,883
Other trading activities	5	322,178	-	322,178	241,330
Investments	6	956,901	1,519,066	2,475,967	448,225
Share of associate net income	18	-	-	-	7,914
Total income		8,282,088	237,527,329	245,809,417	111,338,352
Expenditure on:					
Raising funds	7	629	-	629	94,325
Charitable activities	8	7,305,983	148,893,990	156,199,973	108,196,817
Total expenditure		7,306,612	148,893,990	156,200,602	108,291,142
Net income before net gains/(losses) on investments		975,476	88,633,339	89,608,815	3,047,210
Net (losses)/gains on investments	14	141,988	(326,506)	(184,518)	799,739
Net income		1,117,464	88,306,833	89,424,297	3,846,949
Transfers between funds	18	5,324,874	(5,324,874)	-	-
Foreign exchange gains/(losses)		125,701	1,015,501	1,141,202	(337,605)
Net movement in funds		6,568,039	83,997,460	90,565,499	3,509,344
Reconciliation of funds:					
Total funds brought forward		10,677,940	27,712,845	38,390,785	34,881,441
Net movement in funds		6,568,039	83,997,460	90,565,499	3,509,344
Total funds carried forward		17,245,979	111,710,305	128,956,284	38,390,785

The notes on pages 22 to 44 form part of these financial statements.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08565148

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	32,064	42,699
Investments	14	52,691,939	2,517,749
		<u>52,724,003</u>	<u>2,560,448</u>
Current assets			
Debtors	15	758,769	2,592,846
Cash at bank and in hand		78,289,091	33,724,501
		<u>79,047,860</u>	<u>36,317,347</u>
Creditors: amounts falling due within one year	16	(2,815,579)	(487,010)
Net current assets		<u>76,232,281</u>	<u>35,830,337</u>
Net assets		<u><u>128,956,284</u></u>	<u><u>38,390,785</u></u>
Charity funds			
Restricted funds	18	111,710,305	27,712,845
Unrestricted funds	18	17,245,979	10,677,940
Total funds		<u><u>128,956,284</u></u>	<u><u>38,390,785</u></u>

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Vikrant Bhargava

V Bhargava
Chair of Trustees
Date: 18 / 09 / 2025

The notes on pages 22 to 44 form part of these financial statements.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08565148

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	19,932	22,825
Investments	14	2,056,850	1,734,812
		<u>2,076,782</u>	<u>1,757,637</u>
Current assets			
Debtors	15	1,540,022	3,108,041
Cash at bank and in hand		32,636,194	27,984,824
		<u>34,176,216</u>	<u>31,092,865</u>
Creditors: amounts falling due within one year	16	(2,378,458)	(238,523)
Net current assets		<u>31,797,758</u>	<u>30,854,342</u>
Total net assets		<u><u>33,874,540</u></u>	<u><u>32,611,979</u></u>
Charity funds			
Restricted funds	18	22,455,504	26,167,453
Unrestricted funds	18	11,419,036	6,444,526
Total funds		<u><u>33,874,540</u></u>	<u><u>32,611,979</u></u>

The Company's net movement in funds for the year was £1,262,561 (2023 - £6,288,364).

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Vikrant Bhargava

V Bhargava

Chair of Trustees

Date: 18 / 09 / 2025

The notes on pages 22 to 44 form part of these financial statements.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	20	92,451,473	70,995
Cash flows from investing activities			
Dividends, interests and rents from investments		2,475,967	1,006,085
Purchase of equity investments		-	(45)
Purchase of tangible fixed assets		(12,056)	(46,495)
Purchase of investments		(50,350,794)	(1,054,875)
Net cash used in investing activities		(47,886,883)	(95,330)
Change in cash and cash equivalents in the year		44,564,590	(24,335)
Cash and cash equivalents at the beginning of the year		33,724,501	33,748,836
Cash and cash equivalents at the end of the year	21	78,289,091	33,724,501

The notes on pages 22 to 44 form part of these financial statements

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

Founders Pledge Ltd is a charitable company, limited by guarantee, domiciled in England and Wales, company registration number 08565148 and charity registered number 1162201. The registered office is Runway East, 20 St Thomas Street, London, SE1 9RS.

The members of the Company are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Founders Pledge Ltd meets the definition of a public benefit entity under FRS 102.

The financial statements consolidate the accounts of Founders Pledge Ltd and its subsidiary undertakings. The subsidiary charities, Founder Pledge Inc. and Founders Pledge GmbH have been included in the consolidation as Founders Pledge Ltd is deemed to have control as they are able to appoint the Trustees of the charities. The results of the subsidiaries have been consolidated on a line by line basis.

The Charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.2 Going concern

The Trustees are confident that the financial position of FP remains strong and the organisation will continue to operate as a going concern. Founders Pledge Ltd intends to remain in operation beyond the foreseeable future, supported by an ongoing dialogue with major donors regarding continued and increased funding.

As of 31 December 2024, the group had unrestricted cash reserves of \$18m (£13.7m), representing a cash runway of approximately 19 months. It also had secured additional committed funding totalling \$18.8m (£14.3m), effectively increasing the operating runway to 27 months.

While broader market conditions will continue to impact the timing of pledge fulfilment and donations to operating expenses, Founders Pledge concluded 2024 in a solid financial position with healthy cash reserves. The organisation anticipates sustained cash reserves throughout 2025 and beyond. Nevertheless, the cash position is monitored by management on a monthly basis and timely action will be taken if there are indications of reduced reserve levels.

Accordingly, the Trustees confirm their assessment that Founders Pledge is a going concern, and that there is no material uncertainty in this regard. The financial statements have therefore been prepared on that basis.

2.3 Income

All income is recognised once the Group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.4 Expenditure

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT where applicable. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of raising funds relates to activities that are intended to generate income.

Expenditure on charitable activities is allocated to the relevant charitable activities on a basis consistent with resources used against the strategic plan.

Governance costs relate to the governance of the Group apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the spot rate on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

2.6 Taxation

As a Charity the Group is exempt from UK corporation tax to the extent that its income is applied to its charitable objects.

Founders Pledge Ltd is a VAT registered charity and therefore required to comply with VAT law. Quarterly VAT returns are submitted in arrears to HMRC.

2.7 Tangible fixed assets and depreciation

All items with a value over £2,000 are reviewed to identify if they are of a capital nature. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation (continued)

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value on a straight line basis over their estimated useful lives.

Depreciation is provided on the following basis:

Office equipment	-	25%
Computer equipment	-	33%

Where any assets are impaired in value, provisions are made to reduce the book value on such assets to the recoverable amount.

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Founders Pledge Ltd holds a 45% shareholding in Pledge Ventures Ltd and has been accounted for as an associate. Investments in associates are stated at the amount of the Group's share of net assets. The Consolidated Statement of Financial Activities includes the Group's share of the associated companies' net income or expenditure using the equity accounting basis.

Investments held as fixed assets are shown at cost less provision for impairment.

2.9 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

2. Accounting policies (continued)

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.11 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are donor funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Patient Philanthropy Fund (PPF) was set up during 2021. This is not a separate legal entity and is included within the charity's own results. This is a restricted fund and is treated as a special trust.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

In applying the Group's policy for income recognition the Trustees are required to consider the Group's entitlement to the receipt of the income based on the terms of the 'pledge'. The applied accounting treatment is that of receipts, given the uncertainty of whether the funds would be received through Founders Pledge or whether the 'pledge' funds would be directed through a private foundation or other Charity.

4. Income from donations

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	7,003,009	236,008,263	243,011,272	110,640,883
<i>Total 2023</i>	<i>5,244,745</i>	<i>105,396,138</i>	<i>110,640,883</i>	

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Fundraising event	322,178	322,178	241,330
<i>Total 2023</i>	<i>241,330</i>	<i>241,330</i>	

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

6. Investment income

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Bank interest	956,901	1,519,066	2,475,967	448,225
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Total 2023</i>	<u>62,056</u>	<u>386,169</u>	<u>448,225</u>	

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Website	629	629	94,325
	<u> </u>	<u> </u>	<u> </u>
<i>Total 2023</i>	<u>94,325</u>	<u>94,325</u>	

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Charitable activities	7,305,983	148,893,990	156,199,973	108,196,817
	<u>6,634,714</u>	<u>101,562,103</u>	<u>108,196,817</u>	
<i>Total 2023</i>				

9. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Charitable activities	232,067	148,893,990	7,073,916	156,199,973	108,196,817
	<u>234,287</u>	<u>101,073,249</u>	<u>6,889,281</u>	<u>108,196,817</u>	
<i>Total 2023</i>					

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Direct activities 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Staff costs	5,280,090	5,280,090	4,838,299
Depreciation	22,691	22,691	26,955
Events costs	146,463	146,463	116,856
Freelance fees	95,902	95,902	31,768
IT costs	191,327	191,327	224,419
Staff training	10,930	10,930	22,286
Recruitment	2,273	2,273	7,944
Other staff costs	457,719	457,719	343,814
Support travel costs	115,811	115,811	81,406
Foreign exchange loss/(gain)	48,294	48,294	599,679
Audit and accountancy	24,322	24,322	19,878
Bank charges	80,118	80,118	46,867
Telephone and internet	3,367	3,367	2,597
Legal expenses	134,914	134,914	116,153
General office expenses	56,702	56,702	52,005
Property rent and other costs	219,203	219,203	207,327
Other costs	139,778	139,778	122,209
Governance costs	44,012	44,012	28,819
	<u>7,073,916</u>	<u>7,073,916</u>	<u>6,889,281</u>

An amendment has been made to cost allocations within Direct costs and Support costs within 2024. As a result of this, the allocation of costs in 2023 has been revised to remain consistent with 2024. The total expenditure in 2023 remains unchanged.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

10. Analysis of grants

	Grants to Institutions 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Grants	148,893,990	148,893,990	101,073,249
<i>Total 2023</i>	<i>101,073,249</i>	<i>101,073,249</i>	

Name of institution

The Group has made the following material grants to institutions during the year:

	2024 £	<i>2023 £</i>
Convergent Research	11,143,544	793,563
Deploy/US	8,928,910	1,090,892
Imagine Worldwide - Building Education Foundations Malawi	7,594,472	3,514,715
Teaching at the Right Level (TaRL) Africa	6,200,000	8,108,089
Global Talent Network Foundation	5,713,830	-
Lead Exposure Elimination Project (LEEP)	-	5,177,723
MIT Foundation (UK) Limited	5,066,814	1,945,000
Open Philanthropy Advisors Inc	5,000,000	-
EIDU	4,466,942	1,300,000
RestoringVision	4,412,821	-
OCCRP (Journalism Development Network)	-	4,145,763
Sightsavers	4,000,000	2,539,328
Global Talent Lab	3,953,610	-
Bandhan - Targeting the Hardcore Poor Programme (THP)	3,875,385	-
Helen Keller International (HKI)	3,539,307	3,317,307
Schmidt Sciences LLC	3,512,694	-
Evidence Action Inc.	3,457,500	4,205,337
University of Chicago Foundation Limited	3,400,000	-
Charity Entrepreneurship	-	3,280,210
The RAND Corporation	3,191,700	-
Tsinghua Education Foundation North America Inc.	-	3,166,703
Center for Global Development	3,000,000	-
London School of Hygiene & Tropical Medicine	2,950,000	-
Educate	2,626,696	-

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

Nuclear Threat Initiative (NTI)	-	2,590,040
Clean Air Task Force (CATF)	-	2,493,467
Project Numina	2,485,500	-
Resolve to Save Lives	2,400,000	1,950,210
Center for Applied Rationality (CFAR)	-	2,396,221
GiveWell	-	2,368,890
Alignment Research Centre	-	2,301,470
Cooperative AI Foundation	-	2,245,869
Carnegie Endowment For International Peace	2,079,090	-
Ubongo	-	2,005,240
Dimagi CommCare Connect	2,000,000	-
University of Washington Foundation	1,977,750	-
Allfed Institute	-	1,977,319
Ukraine TrustChain	1,854,920	4,873,023
XPRIZE for Global Learning Recovery and Acceleration	-	1,684,402
Energy for Growth Hub	-	1,647,781
Language and Learning Foundation	-	1,604,195
Middle East Media Research Institute (MEMRI)	1,590,100	-
Manifold for Charity (AKA Manifold Markets)	-	1,547,196
Centre for Long-Term Resilience / Alpenglow	1,456,780	-
FAR AI Inc	-	1,430,003
We Help Ukrainians	-	1,400,000
WePlanet	1,377,720	-
Massachusetts Institute Of Tech	-	1,371,531
Effective Ventures Foundation USA	-	1,367,666
SecureBio	-	1,352,960
Players Philanthropy Fund	-	1,312,810
SilverLining	1,306,666	-
Project InnerSpace	1,300,000	1,500,000
Strong Towns	-	1,292,859
Carnegie Mellon University	-	1,246,733
Cornell University Foundation UK	1,185,086	-
Meridian Prime	-	1,246,733
Kaivalya Education Foundation	-	1,211,165
University Health Network	1,150,000	-
The University of Oxford	1,142,978	-
Center for Artificial Intelligence Safety, Inc.	-	1,133,281
Berkeley Existential Risk Initiative	-	1,098,372
Center on Long-Term Risk	-	1,064,382
Quantified Carbon Ltd	1,000,000	-
Friends of IHES	-	1,000,000

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

EvE Bio (Convergent Research)	-	988,984
GiveDirectly (GD)	978,109	-
Suvita	-	920,314
Digital Harbor Foundation	913,855	-
Center for Artificial Intelligence Safety, Inc.	859,593	-
1Day Sooner	820,000	-
TerraPraxis	788,706	-
Combat Hate Foundation	788,300	-
Open Collective Foundation	-	785,416
Zaka North Inc	757,800	802,096
Redwood Research	-	745,547
Crucible Leadership Academy of Lusaka	737,500	-
Colorado State University	665,248	-
Grants less than £645,000	21,244,064	3,908,365
	148,893,990	101,449,170

11. Auditor's remuneration

	2024 £	2023 £
Fees payable for the audit of the consolidated group accounts	21,000	20,000
Fees payable to the group's auditor in respect of:		
Audit of the US subsidiary	14,087	13,195
All non-audit services not included above	4,486	3,663

12. Staff costs

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Wages and salaries	4,688,333	4,297,937	2,651,643	2,381,800
Social security costs	461,037	436,668	285,351	272,414
Contribution to defined contribution pension schemes	130,720	103,694	78,332	61,709
	5,280,090	4,838,299	3,015,326	2,715,923

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12. Staff costs (continued)

The average number of persons employed by the Group during the year was as follows:

	Group 2024 No.	<i>Group 2023 No.</i>
Employees	55	<i>50</i>
Directors	9	<i>11</i>
	64	<i>61</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	<i>Group 2023 No.</i>
In the band £60,001 - £70,000	13	<i>8</i>
In the band £70,001 - £80,000	7	<i>6</i>
In the band £80,001 - £90,000	5	<i>3</i>
In the band £90,001 - £100,000	6	<i>9</i>
In the band £100,001 - £110,000	2	<i>1</i>
In the band £110,001 - £120,000	2	<i>3</i>
In the band £140,001 - £150,000	1	<i>1</i>
In the band £160,001 - £170,000	-	<i>1</i>
In the band £240,001 - £250,000	1	<i>-</i>

Total remuneration in respect of key management personnel was £1,456,145 (2023: £1,755,305).

During the year ended 31 December 2024, no Trustee received remuneration (2023: £nil) and no Trustee expenses have been incurred (2023: £nil).

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

13. Tangible fixed assets

Group

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 January 2024	494	146,283	146,777
Additions	-	12,056	12,056
At 31 December 2024	<u>494</u>	<u>158,339</u>	<u>158,833</u>
Depreciation			
At 1 January 2024	494	103,584	104,078
Charge for the year	-	22,691	22,691
At 31 December 2024	<u>494</u>	<u>126,275</u>	<u>126,769</u>
Net book value			
At 31 December 2024	<u>-</u>	<u>32,064</u>	<u>32,064</u>
At 31 December 2023	<u>-</u>	<u>42,699</u>	<u>42,699</u>

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

13. Tangible fixed assets (continued)

Company

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 January 2024	494	103,860	104,354
Additions	-	11,732	11,732
At 31 December 2024	494	115,592	116,086
Depreciation			
At 1 January 2024	494	81,035	81,529
Charge for the year	-	14,625	14,625
At 31 December 2024	494	95,660	96,154
Net book value			
At 31 December 2024	-	19,932	19,932
At 31 December 2023	-	22,825	22,825

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

14. Fixed asset investments

Group	Listed investments £	Unlisted investments £	Equity investments £	Total £
Valuation				
At 1 January 2024	2,509,790	-	7,959	2,517,749
Additions	44,432,607	5,918,187	-	50,350,794
Revaluations	(176,604)	-	-	(176,604)
At 31 December 2024	<u>46,765,793</u>	<u>5,918,187</u>	<u>7,959</u>	<u>52,691,939</u>

Company	Listed investments £	Equity investments £	Total £
Valuation			
At 1 January 2024	1,734,767	45	1,734,812
Additions	29,716	-	29,716
Revaluations	292,322	-	292,322
At 31 December 2024	<u>2,056,805</u>	<u>45</u>	<u>2,056,850</u>

Founders Pledge Ltd holds a 45% equity investment in Pledge Ventures Limited. The investment is accounted for using the equity method in the group.

Futhermore, equity investments includes amounts held in liquid holdings.

15. Debtors

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Amounts owed by subsidiaries	-	-	804,267	560,197
Other debtors	24,070	66,376	17,760	57,999
Prepayments and accrued income	734,699	2,526,470	717,995	2,489,845
	<u>758,769</u>	<u>2,592,846</u>	<u>1,540,022</u>	<u>3,108,041</u>

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

16. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Trade creditors	1,295	5,052	-	5,887
Amounts owed to subsidiaries	-	-	-	21,178
Other taxation and social security	94,363	100,293	94,363	100,293
Other creditors	69,419	68,708	16,518	20,482
Accruals and deferred income	2,650,502	312,957	2,267,577	90,683
	2,815,579	487,010	2,378,458	238,523
	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Deferred income at 1 January 2024	223,882	314,320	47,144	128,339
Resources deferred during the year	450,206	223,882	87,285	47,144
Amounts released from previous periods	(223,882)	(314,320)	(47,144)	(128,339)
	450,206	223,882	87,285	47,144

Deferred income relates to a consultancy contract.

17. Financial instruments

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Financial assets				
Financial assets measured at fair value through income and expenditure	52,691,939	1,734,767	2,056,805	1,734,767

Financial assets measured at fair value through income and expenditure comprise listed investments.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 December 2024 £
Unrestricted funds						
General Funds	<u>10,677,940</u>	<u>8,282,088</u>	<u>(7,306,612)</u>	<u>5,324,874</u>	<u>267,689</u>	<u>17,245,979</u>
Restricted funds						
Pledge fulfilment fund	<u>27,712,845</u>	<u>237,527,329</u>	<u>(148,893,990)</u>	<u>(5,324,874)</u>	<u>688,995</u>	<u>111,710,305</u>
Total of funds	<u><u>38,390,785</u></u>	<u><u>245,809,417</u></u>	<u><u>(156,200,602)</u></u>	<u><u>-</u></u>	<u><u>956,684</u></u>	<u><u>128,956,284</u></u>

Restricted funds

Pledge fulfilment fund represents pledges received from members where due diligence on a potential recipient has not been completed.

The Patient Philanthropy Fund (PPF)

The Fund was launched as a special trust within Founders Pledge Ltd in October 2021. The PPF is an FP-incubated grant-making vehicle which invests to give for maximum long-term impact.

The PPF takes a patient approach to philanthropy: it invests contributions until the time is optimal for it to make large grants aimed at improving the long-term future. This means that - in addition to identifying the highest-impact giving opportunities at any particular point in time - it aims to identify the point in time when the highest-impact opportunities are available, which may be years, decades, or even centuries ahead.

In accordance with its long-term strategy and purpose (and Charity Commission guidance). Founders Pledge Ltd is the sole trustee of the PPF. It has appointed and devolved all management responsibilities to a Management Committee (MC) consisting of purpose-aligned experts on timing of giving.

Transfers between funds reflect the realignment of restricted fund balances and reconciled to DAF balances held.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

18. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2023 £</i>
Unrestricted funds						
General Funds - all funds	10,588,342	5,548,131	(6,729,039)	1,683,217	(420,625)	10,670,026
Share of net income from associates		7,914				7,914
Total		5,556,045				10,677,940
Restricted funds						
Pledge fulfilment fund	24,293,099	105,782,307	(101,562,103)	(1,683,217)	882,759	27,712,845
Total of funds	<u>34,881,441</u>	<u>111,330,438</u>	<u>(108,291,142)</u>	<u>-</u>	<u>462,134</u>	<u>38,390,785</u>

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	32,064	-	32,064
Fixed asset investments	4,331,170	48,352,810	52,683,980
Trade investments	45	7,914	7,959
Current assets	13,237,218	65,810,642	79,047,860
Creditors due within one year	(354,518)	(2,461,061)	(2,815,579)
Total	17,245,979	111,710,305	128,956,284

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	42,699	-	42,699
Fixed asset investments	7,914	2,509,790	2,517,704
Trade investments	45	-	45
Current assets	10,937,554	25,379,793	36,317,347
Creditors due within one year	(310,272)	(176,738)	(487,010)
Total	10,677,940	27,712,845	38,390,785

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	<i>Group 2023 £</i>
Net income for the period (as per Statement of Financial Activities)	89,424,297	3,846,949
Adjustments for:		
Depreciation charges	22,691	26,955
Share of income in associate	-	(7,914)
Loss/(gain) on investments	184,518	(209,567)
Dividends and interest from investments	(2,475,967)	(1,006,085)
Decrease/(increase) in debtors	1,834,077	(2,681,881)
Increase in creditors	2,320,655	440,143
Foreign exchange losses/(gain)	1,141,202	(337,605)
Net cash provided by operating activities	92,451,473	70,995

21. Analysis of cash and cash equivalents

	Group 2024 £	<i>Group 2023 £</i>
Cash in hand	78,289,091	33,724,501
Total cash and cash equivalents	78,289,091	33,724,501

22. Analysis of changes in net debt

	At 1 January 2024 £	Cash flows £	At 31 December 2024 £
Cash at bank and in hand	33,724,501	44,564,590	78,289,091
	33,724,501	44,564,590	78,289,091

Founders Pledge Ltd

England & Wales - Charity number 1162201

Accounts

FOUNDERS PLEDGE LTD

Formerly Founders for Good Ltd
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

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FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustees

V Bhargava
D C Bonas (Resigned 24 July 2023)
R I Chapman
L H L Ding
N D Hutchinson (Resigned 2 August 2023)
I Morton (appointed 1 December 2023)
A McLoughlin
A McKelvey (appointed 17 January 2024)
E Platts (appointed 20 May 2024)

Company registered number

08565148

Charity registered number

1162201

Registered office

Runway East
20 St. Thomas Street
London
SE1 9RS

Chief executive officer

David Goldberg

Independent auditor

Crowe U.K. LLP
Fourth Floor
St James House
St James' Square
Cheltenham
GL50 3PR

Bankers

JP Morgan Chase
401 California Street
San Francisco
CA 94104

HSBC Innovation Bank Limited
Alphabeta
14-18 Finsbury Square
London
EC2A 1BR

Pictet Group
6th Floor
5 Stratton Street
London
W1J 8LA

Silicon Valley Bank
14-18 Finsbury Square
London
EC2A 1BR

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Legal Advisor	Cooley UK LLP 69 Old Broad Street London EC2M 1 QS
Legal Advisors	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT
Legal Advisor	Withers Worldwide 20 Old Bailey London EC4M 7AN
Legal Advisor	Mishcon de Reya LLP Africa House 70 Kingsway London WC2B 6AH
Legal Advisor	Watson, Farley & Williams 15 Appold St London EC2A 2HB

Trustees Report

For the year ended 31 December 2023

The Trustees present their annual report and strategic report, together with the audited financial statements for the year 1 January 2023 to 31 December 2023. This report is intended for Founders Pledge as a group comprising Founders Pledge Ltd, Founders Pledge Inc and Founders Pledge gGmbH, and all references to the “group” are intended to refer to all three entities. During 2023, Founders Pledge Ltd also wholly owned Founders Pledge Trading Ltd, a dormant company. Founders Pledge Trading Ltd was dissolved in April 2024. Separately, Pledge Ventures Ltd is an associate company of Founders Pledge Ltd.

The Trustees confirm that the annual report and financial statements of the group comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by the updates.

Administrative Details for Founders Pledge Ltd

In January 2023, Founders For Good Ltd changed its name to Founders Pledge Ltd to align with its trading name both in the UK and overseas.

Charity Number: 1162201

Company Number: 08565148

Trading Name: Founders Pledge

The Trustees of Founders Pledge Ltd are:

- Vikrant Bhargava (Chair)
- Robert Chapman
- Luke Ding
- Andrew McLoughlin
- Isobel Morton (appointed December 2023)
- Anna McKelvey (appointed January 2024)
- Erin Platts (appointed May 2024)

Former Trustees who resigned within the year:

- Neil Hutchinson (resigned 2 August 2023)
- Dafna Bonas (resigned 24 July 2023)

All Trustees can be reached via the principal office address of Founders Pledge Ltd: Runway East, 20 St Thomas Street, London SE1 9RS.

Strategic Report

Mission, Vision and Model

Founders Pledge's mission is to empower entrepreneurs to do immense good. Our vision is that the value created by technology benefits those who need it most. We work to achieve this by helping our members become more informed and strategic philanthropists.

Once a member has joined Founders Pledge (FP), we engage them in a variety of ways. Through our theory of change, each member's journey is different, so there is no set path of which or how many intervention activities each member will engage with before granting to charities. But we believe that members will need to engage with at least one intervention activity to be more likely to support our mission.

Intervention activities include: our Community, Programmes & Events, and Communications teams engaging members; our Research team researching the best funding opportunities that our Advisory team then present to members; and our Philanthropic Services (PS) and Product teams providing services that make their giving convenient as well as delivering assurances around due diligence.

Our key output is to move *additional* money to High Impact Funding Opportunities (HIFO). This implies counterfactuality: as a result of our work, more money has gone to HIFO than would have otherwise happened. This may be through direct influence, where we have explicitly recommended that member to give to a HIFO, or they only heard of the HIFO because of it being featured on the Member App or in our comms. It may also occur indirectly, because the member is generally giving more money to charity as FP had influenced them to increase and honour their pledge, or our PS team facilitated their donation in such a way that they were able to give more.

There are also secondary outputs that are either a positive byproduct of our work or easy wins that we take because they are still positive even if they are not what we optimise for. These include members giving more to charity in general, giving to non-HIFO non-profits that were comparatively better than the alternatives, learning about impactful giving, our published research, or members supporting a wider culture of charitable giving by signalling their philanthropy to their peers.

Our Achievements

In 2023, our community guided more than \$150m (more than £117m) to charities, through Founders Pledge's DAFs, our thematic Funds or other means.

Through our members (including Philanthropy Partners) and the wider public, more than \$84m (£66m) was granted to our recommended charities (HIFO). This was against our objective of moving \$50m (£39m) to HIFO. We welcomed 129 new members who pledged a total of \$472m (£367m).

Member Journey

Despite challenging economic conditions, including historically low liquidity amongst many of our members and limited venture funding across the sector, we saw good levels of engagement in deployments to HIFO as well as through event and retreat attendance, engagement with our research, and in consultations with our advisory service.

In July 2023, the decision was made to increase our focus and intent within the US by promoting our Growth Director to a newly created role of US Managing Director with the responsibility of developing and executing a US-specific strategy aimed at reinvigorating and growing our US membership.

We have continued to refine and improve our overall member experience across every stage of their journey in ways that will enable us to scale our offering, such as:

- Doubling the size of our advisory team, responsible for providing philanthropic advice and giving portfolios to our members, enabling more consultations and a more consistent service across our membership at the point of giving;
- Improved features on our member app, including the ability for members to sign their pledge direct in the app, increased visibility on our HIFO and time-sensitive opportunities, an in-app events calendar and the ability to make multiple grants at once; and
- Launching the ability for our US DAF-holders to invest their DAF funds through our global investment partner, UBS.

We continue to make efforts to increase diversity within our membership, and we work consciously to diversify attendees of and speakers at our events.

Research & Advisory

Identifying the most effective charities to solve the world's most pressing problems is a challenging but critical element of our work. During 2023, our researchers continued to identify new high impact funding opportunities (HIFO). We have 58 recommendations with the ability to absorb productively more than \$1 billion in funding. Our advisors continued to support our members in building tailored giving portfolios, informed by the latest charity research. With our values-based approach, our advisors guided members through big questions and helped them articulate the core values that underpinned their giving decisions.

As part of our Philanthropy Partnership programme, we work with Ultra-High Net Worth donors in a collaborative arrangement in which we co-develop research and recommendations in their interest areas, integrate our evidence-based view of impact into this work, and aim to expand these donors' visions of effective philanthropy. This resulted in more than \$71m (£55m) of grants in 2023.

Future Plans

We will continue to focus on how we can leverage what matters most to our community and maximise every charitable dollar. In 2025, we want to be able to actively influence \$100m to our recommended charities.

In 2024, on the path towards this goal, we plan to:

- Drive \$75m (£58.6m) to HIFO;
- Unlock our product-market fit in the US;
- Relaunch a compelling DAF service so we can fully support our members needs;
- Reinforce our ability to hit HIFO targets, through key drivers of value proposition;
- Make a step change in process efficiencies, so we can support more members more efficiently in the future; and
- Ensure the FP team thrives.

Fundraising

Support from FP's members and other generous donors drives our impact and ensures we can continue providing our members with: cutting-edge research and advisory services; events and programming to engage, challenge and inspire our community; our DAF and global giving infrastructure; and access to a community of impact-driven peers.

Our fundraising strategy centres around securing medium term commitments. Membership of the Foundry (major donors >\$250k for non-members, \$100k for members) requires a multi-year commitment, and Sustaining Partners (members donating >\$5k) is an annual giving programme for a larger pool of donors.

In 2023, we achieved 91% of our stretch fundraising target, which has ensured a solid fundraising foundation for 2024. We are continuing our focus on identifying and cultivating non-member donor prospects, as well as request multi-year gift commitments from both existing and new donors, which allow us to plan ahead and create organisational stability.

Principal funding sources

Our principal funding sources are pledge fulfilment (when our donors become liquid and choose to put their pledged assets into one of the Founders Pledge Donor Advised funds) and Opex gifts in support of our mission from members, other generous individuals, corporations and foundations. Donations from our members supported 44% of our operating expenses in 2023.

Founders Pledge recognises the provisions of the Charities (Protection and Social Investment) Act 2016, and takes a responsible approach to its fundraising, ensuring that pledgers and potential pledgers are treated with respect. FP has not used any commercial fundraising partners or outsourced its fundraising activity. No complaints were received in respect of our fundraising operations.

Financial Review

Total income for the year was £111,338,352 (2022: £53,702,104), of which £110,640,883 (2022: £53,592,023) related to donations. This was due to the success of our Philanthropy Partnerships programme, launched in late 2022.

Our main source of income over the period was pledge income from our members and donations from individuals and philanthropists. We are especially grateful for all the contributions received without which we will not be able to fulfil our objectives.

Total expenditure for the year was £108,291,142 (2022: £45,944,643) of which £101,073,249 (2022: £41,299,317) related to grants.

Our total funds at year-end were £38,390,785 (2022: £34,881,441) of which £27,712,845 were restricted (2022: £24,293,099) and £10,677,940 (2022: £10,588,342) were unrestricted.

Going Concern

It is our assessment that Founders Pledge has a strong foundation and will continue as a going concern. Founders Pledge Ltd intends to remain in operation beyond the foreseeable future. Discussion of increased and continued donations from our major donors is an ongoing process. As at 31 December 2023, our secured committed funds totalled \$18.1 million which equated to a runway of 25 months.

Despite the ongoing market conditions affecting pledge fulfilment, Founders Pledge ended 2023 in a strong financial position with cash balances. Founders Pledge successfully raised funds through the year, and anticipates continuing its managed growth in operations. This has been helped by a strong start in fundraising in 2024. Nevertheless, the cash position is monitored by management on a monthly basis and quick action will be taken if there are indications of reduced reserve levels.

As a result, the Trustees confirm their assumptions that Founders Pledge is a going concern and that no significant uncertainty exists in this respect and the financial statements have been prepared on that basis.

Investment Policy

Following the collapse of SVB in March 2023, and working closely with the Trustees and the Investment Committee, we developed an investment plan which invests both Opex and DAF money. There is no specific income target for 2024, but the Trustees seek to produce a long-term financial return with an acceptable level of risk.

As we rely on long-term investment return to further our mission, the Trustees recognise the key risks to the long-term sustainability of the charity include, but are not limited to, inflation, commercial investment risk, currency risk and market risk. We are able to tolerate volatility in the capital value of the funds and also to tolerate currency risk in line with the potential international distribution of funds. The nature of the DAFs will require consideration of a wide range of potential investments including some which may be regarded as speculative but are intended to generate long-term capital gains to be distributed for charitable purposes. These are considered by the Trustees on a case by case basis.

As a matter of policy, FP does not "self manage" and all funds other than short-term cash holdings are placed with or through reputable investment management professionals.

With the arrival of our CFO, a new longer-term treasury management arrangement will be developed in the summer of 2024 to allow Founders Pledge to maximise our investment returns within agreed risk parameters. Specifically, we seek to provide donors with a range of investment options that they may recommend their donated funds to be invested into. Asset

allocation in these options will accommodate different investment time horizons, spending rates and risk tolerances from capital preservation to short term and long term growth.

Reserves Policy

We maintained minimum reserves¹ of 12 months throughout 2023. As at 31 December 2023, unrestricted cash reserves amounted to \$10.7m which represents a 14 months of operations. We have a forecasted runway² of 25 months. Both these metrics are in line with our position at the start of the year. We believe that these targets continue to be both important to track for our financial health as well as being set at the right level to provide assurance during continued difficult economic conditions.

In line with the Charity Commission's definition our free reserves stood at £10,562,282 which equates to our unrestricted funds excluding fixed assets.

Grant-Making Policy

The Philanthropic Services team recommends grants for approval either to the Trustees or to those with delegated authority to approve on their behalf. The team conducts due diligence on the potential recipient and as part of the approval process it is ensured that any grants made are aligned with Founders Pledge's Charitable Purposes.

Stakeholder Considerations

Section 172 of the Companies Act 2006 requires the directors (Trustees) to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

- **The likely consequence of any decision in the long term**
Our mission, vision and model, as set out above, have been carefully considered and selected as a long term strategy to meaningfully address some of the world's most pressing problems. The Board routinely reviews external factors that could have an impact on the success of the charity, and ensures that we have a suitable strategy in place to continue to be able to deliver on our charitable objectives in the long term.
- **The interests of the company's employees**
The employees of the charity are critical to the success of our mission, and as such the Board gives ongoing consideration to ways in which we can ensure that employees are adequately supported in their roles. Our overall score from our monthly engagement and welfare survey (Peakon) was above the industry benchmark. In addition, we carried out a comprehensive review of salaries in December, and we made adjustments to align them as closely as possible with comparative roles in the industries we benchmark against (tech & charity/non-profits). By assessing every salary against

¹ Reserves duration is the period that FP could continue with zero additional income (ie current closing cash balance divided by forward looking 12-month average spend).

² Runway duration is the period that FP could continue with total secure funds (cash + funding commitments discounted to 95%) using a forward looking 12-month average spend.

market conditions, we ensured that employees are earning a competitive salary for their role.

- **The need to foster the company's business relationships with suppliers, customers and others**

Relationships with our partners, suppliers and members are paramount to the success of the charity. A single point of contact is assigned to each partner, supplier or member of the Founders Pledge community so that we can ensure a seamless and efficient experience for those who the charity works alongside. Any concerns are appropriately escalated and swiftly addressed, and we continuously receive overwhelmingly positive feedback from those members of the community with whom we have been actively engaged.

- **The impact of the company's operations on the community and the environment**

Founders Pledge recognises our responsibility to sustainability, and the impact of the charity's operations. A key focus since 2021 has been the growth of the Founders Pledge Climate Fund, which seeks to save lives that would otherwise be lost to air pollution, reduce energy poverty, and protect the planet for current and future generations.

- **The desirability of the company maintaining a reputation for high standards of business conduct**

The Trustees take their responsibility for the reputation of the charity seriously, and consider the reputational and ethical repercussions of all decisions that are taken by the company. This not only covers strategic decisions, but also extends to the consideration of partnerships, and decisions made about suppliers or contractors.

- **The need to act fairly as members of the company**

The company is a company limited by guarantee, with the Trustees fulfilling the duties of members of the company. The company does not have shareholders. As such, all members have equal responsibility and rights, and each member is considered equally through the company's decision-making process and actions.

Future Performance & Risks

We take a data-led and quantitative approach to risk management. Our aim is to ensure we are allocating resources as effectively as possible to manage and mitigate risks.

Factors likely to affect future financial performance

Overall, Founders Pledge mainly relies on both grant and individual funding to support its operations. The performance of the organisation, however, is measured both in how much money we can secure in committed pledge funds, as well as how many grants we make. The main factors in securing pledge commitments are: trust in Founders Pledge by the public and potential members, our members' ability to benefit from tax relief, the professionalism with which we can maintain our relationships with our members, and the ability of the team to meet with founders and entrepreneurs at our own events as well as external events. The main factors in maintaining donor support for our operations are: the effectiveness of the grants we make, our ability to report that the donors' money isn't better spent elsewhere, and our ability to influence the money our members donate for grants.

Principal Risks and Uncertainties

The Trustees have established a risk management policy for the Founders Pledge group. It sets out what we do to manage risk and who is accountable and responsible for risk management. The Trustees have overall accountability for risk management and they delegate responsibility to management for managing risk day-to-day. The Trustees have also appointed an Audit and Risk Committee which supports the Trustees in exercising their duties by advising on the effectiveness of management action in response to risk.

Risk is reported on for the group as a whole, with any entity specific risks identified as appropriate. The Trustees review risk and receive reports from the Audit and Risk Committee at every meeting.

The Trustees have considered the principal risks and uncertainties of the Group and identified the following as significant risks for attention:

Risks & Uncertainties	How FP is managing the risk
Funding Stability and Donor Dependency FP relies on non-members for a majority (56%) of Opex income, and a majority of HIFO funds come from a small number of donors. A sudden withdrawal or reduction of their support, possibly due to economic downturns, strategic realignment, or dissatisfaction with FP's outcomes, could severely impact operational funding and the availability of HIFO resources. This scenario would jeopardise ongoing projects and the organisation's ability to meet its strategic goals.	To mitigate this risk, we are continuously seeking to grow and diversify our funding from new and existing members and donors, as well as corporate partnerships, and grants from charities and foundations. We secure multi-year commitments wherever possible on the donation side, and we also carefully monitor our reserves and runway.
Data Security and Compliance In an era of increasing digital threats, the risk of data breaches poses a significant risk, particularly with the potential loss of sensitive member information. Non-compliance with stringent data protection regulations in different operational regions (UK, USA, Germany) could also lead to legal actions, substantial fines, and reputational damage, undermining trust among stakeholders.	We have and will continue to strengthen our data security infrastructure by implementing state-of-the-art cybersecurity measures, including encrypted data storage, multi-factor authentication, and regular vulnerability assessments. Comprehensive training is provided to all employees to ensure understanding and compliance with global data protection laws.
Bank and Economic Instability Founders Pledge faces exposure to global economic fluctuations and banking instability. Economic downturns or crises, such as a recession, could lead to reduced donor contributions and affect member liquidity and pledge value. As we saw in 2023, banking instability could pose risks to our ability to manage and transfer funds effectively.	While we can neither fully predict nor influence global events, in 2023 we improved our financial oversight with a new CFO role, a strengthened Investment Committee, new treasury management (including investment options) and diversification of banking providers.

Regulatory and Legal Compliance

As we operate across multiple jurisdictions, we face the risk of non-compliance with complex regulations and laws. This could lead to penalties, fines, or the loss of FP's tax-exempt status. These issues could also lead to delays in grant disbursements and potentially hinder the organisation's ability to operate effectively in those regions.

We have detailed processes, including robust grantee due diligence, to mitigate the risk of breaching laws or regulations in our grantmaking. We also have 'Know Your Donor' processes to ensure we know the source of the money we receive. We will continue to work closely with external legal advisors to ensure adherence to all applicable laws and regulations.

This strategic report was approved by the Trustees in their capacity as company directors on 22 May 2024 and signed on their behalf by Vikrant Bhargava, Chair of Trustees.

Vikrant Bhargava

Vikrant Bhargava

Trustees Report

Structure, Governance and Management

Founders Pledge Ltd has two wholly owned subsidiaries, each of which have their own governance structures:

- Founders Pledge Inc, a Delaware non-stock corporation which is a 501(c)(3) private foundation registered in the USA; and
- Founders Pledge gGmbH, a registered non-profit limited liability company in German.

In 2023, Founders Pledge Ltd also owned Founders Pledge Trading Ltd (FPT), a dormant company. In November 2023, FP Ltd's Trustees and FPT's Directors agreed to dissolve the company. The final dissolution date was 2 April 2024.

As Founders Pledge Ltd has overall control, these are consolidated on a line by line basis.

During the year, Founders Pledge Ltd invested in Pledge Ventures Limited, a venture fund investing in private technology companies sourced from the Founders Pledge network. Founders Pledge Ltd holds a 45% shareholding in Pledge Ventures Limited and this has been accounted for as an associate within these financial statements.

Governing Document

Founders Pledge Ltd is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new Trustees

Founders Pledge recognises that an effective Board of Trustees is essential if the charity is to be effective in achieving its objects. The Board must seek to be representative of the people with whom the charity works and must have available to it all of the knowledge and skills required to run the charity. Individual Trustees must have sufficient knowledge, both of trusteeship in general and of the charity's activities, to enable them to carry out their role and to represent the charity at meetings and other events.

Individuals who appear suitable candidates will be invited to attend individual meetings with existing Trustees and will receive further information regarding the role of being a Trustee. If, following this meeting, at least two Trustees wish to proceed the candidate will need to be approved by a two-thirds vote of existing Trustees. New Board members are inducted via sharing a data-pack of relevant reading materials, after which a series of meetings are scheduled with relevant employees for briefing and Q&A.

Decision-Making

The Trustees focus on strategy, performance and assurance, and delegate operational matters to the CEO and staff of Founders Pledge. Specific Trustee delegations are set out in the Founders Pledge Signing Matrix. Trustees approve budgets, policies, and remuneration proposals for the CEO. All grants are approved by the Trustees or by senior staff according to

the Founders Pledge Due Diligence and Grant-Making Policy. The Founders Pledge Signing Matrix and the Financial Approvals Matrix outline where Trustees delegate approvals and signatory authority to staff members and at which thresholds. Staff proactively bring any decisions which are high risk or novel to the Trustees for their oversight, and the Trustees regularly review the Founders Pledge risk register and make recommendations. The Audit and Risk Committee also make recommendations to the Trustees to inform their decision making.

Pay policy for key management personnel

The Trustees consider and assess pay levels for all staff taking into account market conditions as well as individual roles and responsibilities. The pay of the key management personnel is reviewed annually by the Trustees to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Objectives and Activities

Objectives and aims for the public benefit

The objects of the Charity are:

- to support the charitable sector by promoting and improving the efficiency and effectiveness of methods used to secure charitable resources, in particular (but not exclusively) by raising awareness among individuals involved in the digital business community;
- to advance the education of individuals and organisations working in technology, digital media and other digital industries as to the ways in which their business knowledge and experience could be used to improve the effectiveness of charities, in particular but not exclusively by:
 - the provision of training; and
 - the provision of educational programmes
- to further such purpose(s) which are exclusively charitable according to the law of England and Wales in such manner as the Trustees in their absolute discretion think fit.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant-making policy for the year.

The Charity carries out these objects through its charitable activities by:

- Delivering 28 events in 2023, almost double the number in 2022, and engaging a total of 370 members of the FP community. Our offering included a ski retreat and a summer retreat in France, and a one-day immersive event in California, USA. The one-day immersive model allowed us to engage meaningfully with our US members and build momentum in the US market. In January 2024, we again delivered our flagship ski retreat; later this year we will host another one-day retreat in California as well as a summer retreat in Morocco. We will continue to increase our reach globally by offering community gatherings across the US and Europe (UK, Germany, France) including intimate dinners and larger networking events.

- Making a significant number of grants: as at 31 December 2023, we and our members had made 2,874 grants, of which 21% were made in 2023. All time, we have moved \$148M to more than 70 high impact charities.
- Maintaining our ambition to grow our community of members and increase the pledge value of commitments.
- Continuing to expand our research expertise and publishing a number of reports, on topics ranging from Climate Change to Great Power Conflict, which are available online.

As at 31 December 2023, our members have committed around \$10 billion to the charitable sector by signing a Founders Pledge pledge.

Statement of Trustees Responsibilities

The Trustees (who are also directors of Founders Pledge Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and UK Generally Accepted Accounting Practice (UK Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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 charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's articles of association. 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.

Disclosure of Information to Auditors

The Trustees reappointed Crowe UK LLP as their auditors for this accounting period. Insofar as each of the Trustees of the charity at the date of approval of this report is aware, there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself

aware of any relevant audit information and to establish that the group's auditor is aware of that information.

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and Crowe UK LLP will therefore continue in office.

This report was approved by the Trustees in their capacity as company directors on 22 May 2024 and signed on their behalf by Vikrant Bhargava, Chair of Trustees.

Vikrant Bhargava

Vikrant Bhargava

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS PLEDGE LTD

Opinion

We have audited the financial statements of Founders Pledge Ltd ('the charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS PLEDGE LTD (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Director's Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS PLEDGE LTD (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 14, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102) 2019 and the Internal Revenue Service for compliance with the local tax regulations in the United States of America. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and safety legislation, Taxation legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of donation income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, designing audit procedures over donation income and reading minutes of meetings of those charged with governance.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

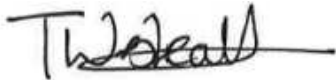
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS PLEDGE LTD (CONTINUED)

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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



Tara Westcott (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Fourth Floor

St James House

St James' Square

Cheltenham

GL50 3PR

Date: 4 June 2024

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations	4	5,244,745	105,396,138	110,640,883	53,592,023
Other trading activities	5	241,330	-	241,330	109,768
Investments	6	62,056	386,169	448,225	313
Share of associate net income	18	7,914	-	7,914	-
Total income		5,556,045	105,782,307	111,338,352	53,702,104
Expenditure on:					
Raising funds	7	94,325	-	94,325	13,161
Charitable activities	8	6,634,714	101,562,103	108,196,817	45,931,482
Total expenditure		6,729,039	101,562,103	108,291,142	45,944,643
Net (expenditure)/income before net (losses)/gains on investments		(1,172,994)	4,220,204	3,047,210	7,757,461
Net gains on investments		(225)	799,964	799,739	4,099
Net (expenditure)/income		(1,173,219)	5,020,168	3,846,949	7,761,560
Transfers between funds	18	1,683,217	(1,683,217)	-	-
Foreign exchange (losses)/gains		(420,400)	82,795	(337,605)	1,088,841
Net movement in funds		89,598	3,419,746	3,509,344	8,850,401
Reconciliation of funds:					
Total funds brought forward		10,588,342	24,293,099	34,881,441	26,031,040
Net movement in funds		89,598	3,419,746	3,509,344	8,850,401
Total funds carried forward		10,677,940	27,712,845	38,390,785	34,881,441

The notes on pages 22 to 42 form part of these financial statements.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08565148

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	42,699	23,159
Investments	14	2,517,749	1,245,348
		<u>2,560,448</u>	<u>1,268,507</u>
Current assets			
Debtors	15	2,592,846	471,162
Cash at bank and in hand		33,724,501	33,748,836
		<u>36,317,347</u>	<u>34,219,998</u>
Creditors: amounts falling due within one year	16	(487,010)	(607,064)
Net current assets		<u>35,830,337</u>	<u>33,612,934</u>
Net assets		<u><u>38,390,785</u></u>	<u><u>34,881,441</u></u>
Charity funds			
Restricted funds	18	27,712,845	24,293,099
Unrestricted funds	18	10,677,940	10,588,342
Total funds		<u><u>38,390,785</u></u>	<u><u>34,881,441</u></u>

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Vikrant Bhargava

V Bhargava
Chair of Trustees
Date: 22/05/2024

The notes on pages 24 to 47 form part of these financial statements.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08565148

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	22,825	11,961
Investments	14	1,734,812	1,245,348
		<u>1,757,637</u>	<u>1,257,309</u>
Current assets			
Debtors	15	3,108,041	929,807
Cash at bank and in hand		27,984,824	24,515,279
		<u>31,092,865</u>	<u>25,445,086</u>
Creditors: amounts falling due within one year	16	(238,523)	(378,780)
Net current assets		<u>30,854,342</u>	<u>25,066,306</u>
Total net assets		<u><u>32,611,979</u></u>	<u><u>26,323,615</u></u>
Charity funds			
Restricted funds	18	26,167,453	21,034,660
Unrestricted funds	18	6,444,526	5,288,955
Total funds		<u><u>32,611,979</u></u>	<u><u>26,323,615</u></u>

The Company's net movement in funds for the year was £6,288,364 (2022 - £11,834,208).

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Vikrant Bhargava

V Bhargava
Chair of Trustees
Date: 22/05/2024

The notes on pages 24 to 47 form part of these financial statements.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	20	70,995	9,802,452
Cash flows from investing activities			
Dividends, interests and rents from investments		1,006,085	313
Purchase of investment in associate		(45)	-
Purchase of tangible fixed assets		(46,495)	(21,996)
Proceeds from sale of investments		-	390,677
Purchase of investments		(1,054,875)	(1,631,926)
Net cash used in investing activities		(95,330)	(1,262,932)
Change in cash and cash equivalents in the year		(24,335)	8,539,520
Cash and cash equivalents at the beginning of the year		33,748,836	25,209,316
Cash and cash equivalents at the end of the year	21	33,724,501	33,748,836

The notes on pages 24 to 47 form part of these financial statements

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

Founders Pledge Ltd is a charitable company, limited by guarantee, domiciled in England and Wales, company registration number 08565148 and charity registered number 1162201. The registered office is Runway East, 20 St Thomas Street, London, SE1 9RS.

The charity previously operated under the name Founders for Good Ltd however this was amended to Founders Pledge Ltd from 17 January 2023.

The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Founders Pledge Ltd meets the definition of a public benefit entity under FRS 102.

The financial statements consolidate the accounts of Founders Pledge Ltd and its subsidiary undertakings. The subsidiary charities, Founder Pledge Inc. and Founders Pledge GmbH have been included in the consolidation as Founders Pledge Ltd is deemed to have control as they are able to appoint the Trustees of the charities. The results of the subsidiaries have been consolidated on a line by line basis.

Founders Pledge Ltd also has a 100% holding in a dormant subsidiary, Founders Pledge Trading Ltd.

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

2.2 Going concern

Despite the prevailing market conditions caused by global economic uncertainty, high interest rates and rising inflation, Founders Pledge ended 2023 in a strong financial position with 14 months' reserves cover (two months better than target). Founders Pledge successfully fundraised through the year, and anticipates sustaining its managed growth in operations during 2024. The cash position is being closely monitored by management on a monthly basis and quick action will be taken if there are indications of reduced reserve levels.

As a result, the Trustees confirm their assumptions that Founders Pledge is a going concern and that no significant uncertainty exists in this respect and the financial statements have been prepared on that basis.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.3 Income

All income is recognised once the group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT where applicable. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of raising funds relates to activities that are intended to generate income.

Expenditure on charitable activities is allocated to the relevant charitable activities on a basis consistent with resources used against the strategic plan.

Governance costs relate to the governance of the group apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the spot rate on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

2.6 Taxation

As a charity the group is exempt from UK corporation tax to the extent that its income is applied to its charitable objects.

Founders Pledge Ltd is a VAT registered charity and therefore required to comply with VAT law. Quarterly VAT returns are submitted in arrears to HMRC.

2.7 Tangible fixed assets and depreciation

All items with a value over £1,000 are reviewed to identify if they are of a capital nature. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value on a straight line basis over their estimated useful lives.

Depreciation is provided on the following basis:

Office equipment	-	25%
Computer equipment	-	33%

Where any assets are impaired in value, provisions are made to reduce the book value on such assets to the recoverable amount.

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Founders Pledge Ltd holds a 45% shareholding in Pledge Ventures Ltd and has been accounted for as an associate. Investments in associates are stated at the amount of the Group's share of net assets. The Consolidated Statement of Financial Activities includes the Group's share of the associated companies' net income or expenditure using the equity accounting basis.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.9 Financial instruments

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.11 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are donor funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Patient Philanthropy Fund (PPF) was set up during 2021. This is not a separate legal entity and is included within the charity's own results. This is a restricted fund and is treated as a special trust.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Income recognition

In applying the group's policy for income recognition the Trustees are required to consider the group's entitlement to the receipt of the income based on the terms of the 'pledge'. The applied accounting treatment is that of receipts, given the uncertainty of whether the funds would be received through Founders Pledge or whether the 'pledge' funds would be directed through a private foundation or other charity.

4. Income from donations

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	5,244,745	105,396,138	110,640,883	53,592,023
<i>Total 2022</i>	<i>5,756,041</i>	<i>47,835,982</i>	<i>53,592,023</i>	

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Fundraising event	241,330	241,330	109,768
	<u> </u>	<u> </u>	<u> </u>
<i>Total 2022</i>	<u>109,768</u>	<u>109,768</u>	

6. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Dividend income	-	-	-	112
Bank interest	62,056	386,169	448,225	201
	<u>62,056</u>	<u>386,169</u>	<u>448,225</u>	<u>313</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Total 2022</i>	<u>313</u>	<u>-</u>	<u>313</u>	

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Website	94,325	94,325	9,198
Travel and subsistence	-	-	3,189
Advertising	-	-	774
Total 2023	<u>94,325</u>	<u>94,325</u>	<u>13,161</u>
<i>Total 2022</i>	<u>13,161</u>	<u>13,161</u>	

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Charitable activities	6,634,714	101,562,103	108,196,817	45,931,482
<i>Total 2022</i>	4,632,165	41,299,317	45,931,482	

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Charitable activities	354,567	101,073,249	6,769,001	108,196,817	45,931,482
<i>Total 2022</i>	307,774	41,299,317	4,324,391	45,931,482	

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Direct activities 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	4,771,770	4,771,770	3,836,295
Depreciation	26,955	26,955	18,973
Events costs	130,236	130,236	89,032
Freelance fees	31,768	31,768	114,250
Consultancy fees	-	-	13,600
IT costs	224,419	224,419	90,865
Staff training	8,188	8,188	14,956
Recruitment	7,944	7,944	5,051
Other staff costs	404,002	404,002	311,657
Support travel costs	46,379	46,379	6,616
Foreign exchange loss/(gain)	599,679	599,679	(605,688)
Audit and accountancy	19,878	19,878	19,816
Bank charges	46,867	46,867	26,118
Telephone and internet	2,597	2,597	3,066
Legal expenses	101,838	101,838	103,712
General office expenses	63,742	63,742	79,770
Property rent and other costs	187,047	187,047	114,117
Other costs	66,898	66,898	41,233
Governance costs	28,794	28,794	40,952
	<u>6,769,001</u>	<u>6,769,001</u>	<u>4,324,391</u>

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

10. Analysis of grants

	Grants to Institutions 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Grants	101,073,249	101,073,249	41,299,317
<i>Total 2022</i>	<i>41,299,317</i>	<i>41,299,317</i>	

Name of institution

The Group has made the following material grants to institutions during the year:

	2023 £	<i>2022 £</i>
Teaching at the Right Level (TaRL) Africa	8,108,089	1,728,467
Lead Exposure Elimination Project (LEEP)	5,177,723	-
Ukraine TrustChain	4,873,023	1,000,000
Evidence Action Inc.	4,205,337	-
OCCRP (Journalism Development Network)	4,145,763	-
Imagine Worldwide - Building Education Foundations Malawi	3,514,715	-
Helen Keller International (HKI)	3,317,307	966,381
Charity Entrepreneurship	3,280,210	-
Tsinghua Education Foundation North America Inc.	3,166,703	-
Nuclear Threat Initiative (NTI)	2,590,040	-
Sightsavers	2,539,328	792,630
Clean Air Task Force (CATF)	2,493,467	3,178,250
Center for Applied Rationality (CFAR)	2,396,221	1,202,407
GiveWell	2,368,890	-
Alignment Research Centre	2,301,470	1,787,677
Cooperative AI Foundation	2,245,869	-
Ubongo	2,005,240	-
Allfed Institute	1,977,319	-
Resolve to Save Lives	1,950,210	-
MIT Foundation (UK) Limited	1,945,000	767,335
XPRIZE for Global Learning Recovery and Acceleration	1,684,402	-
Energy for Growth Hub	1,647,781	-
Language and Learning Foundation	1,604,195	-
Berkeley Risk and Security Lab	-	1,577,287

FOUNDERS PLEDGE LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Manifold for Charity (AKA Manifold Markets)	1,547,196	-
Project InnerSpace	1,500,000	-
FAR AI Inc	1,430,003	-
We Help Ukrainians	1,400,000	1,200,000
TerraPraxis	-	1,397,216
Massachusetts Institute Of Tech	1,371,531	-
Effective Ventures Foundation USA	1,367,666	-
SecureBio	1,352,960	-
Players Philanthropy Fund	1,312,810	-
EIDU	1,300,000	750,000
Strong Towns	1,292,859	-
Carnegie Mellon University	1,246,733	-
Meridian Prime	1,246,733	-
Kaivalya Education Foundation	1,211,165	-
Center for Artificial Intelligence Safety, Inc.	1,133,281	-
Berkeley Existential Risk Initiative	1,098,372	-
Deploy/US	1,090,892	-
Center on Long-Term Risk	1,064,382	-
Friends of IHES	1,000,000	-
EvE Bio (Convergent Research)	988,984	-
Suvita	920,314	-
Effective Altruism Foundation	-	899,949
Effective Ventures Foundation UK	-	860,380
Mercatus Center	-	828,514
Topos Institute	-	819,224
Zaka North Inc	802,096	-
Convergent Research	793,563	-
Open Collective Foundation	785,416	-
Redwood Research	745,547	1,031,278
Centre for Long-Term Resilience / Alpenglow	-	757,007
New Incentives	-	748,190
StrongMinds	-	669,933
Grants less than £645,000	3,908,365	18,337,192
	101,449,170	41,299,317

The totals shown above for 2022 have been amended in order to provide a more accurate analysis.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. Auditor's remuneration

	2023	<i>2022</i>
	£	<i>£</i>
Fees payable for the audit of the consolidated group accounts	20,000	<i>18,240</i>
Fees payable to the group's auditor in respect of:		
Audit of the US subsidiary	13,195	<i>9,378</i>
All non-audit services not included above	3,663	<i>3,781</i>
	=====	<i>=====</i>

12. Staff costs

	Group	<i>Group</i>	Company	<i>Company</i>
	2023	<i>2022</i>	2023	<i>2022</i>
	£	<i>£</i>	£	<i>£</i>
Wages and salaries	4,231,408	<i>3,384,152</i>	2,381,800	<i>1,934,700</i>
Social security costs	436,668	<i>369,857</i>	272,414	<i>241,632</i>
Contribution to defined contribution pension schemes	103,694	<i>82,286</i>	61,709	<i>44,496</i>
	=====	<i>=====</i>	=====	<i>=====</i>
	4,771,770	<i>3,836,295</i>	2,715,923	<i>2,220,828</i>

The average number of persons employed by the Group during the year was as follows:

	Group	<i>Group</i>
	2023	<i>2022</i>
	No.	<i>No.</i>
Employees	50	<i>43</i>
Directors	11	<i>11</i>
	=====	<i>=====</i>
	61	<i>54</i>

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

12. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	<i>Group 2022 No.</i>
In the band £60,001 - £70,000	8	4
In the band £70,001 - £80,000	6	4
In the band £80,001 - £90,000	3	1
In the band £90,001 - £100,000	9	7
In the band £100,001 - £110,000	1	2
In the band £110,001 - £120,000	3	-
In the band £120,001 - £130,000	-	1
In the band £140,001 - £150,000	1	-
In the band £160,001 - £170,000	1	1

Total remuneration in respect of key management personnel was £1,755,305 (2022: £1,261,851).

During the year ended 31 December 2023, no Trustee received remuneration (2022: £nil) and no Trustee expenses have been incurred (2022: £nil).

FOUNDERS PLEDGE LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

13. Tangible fixed assets

Group

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 January 2023	494	99,788	100,282
Additions	-	46,495	46,495
At 31 December 2023	<u>494</u>	<u>146,283</u>	<u>146,777</u>
Depreciation			
At 1 January 2023	494	76,629	77,123
Charge for the year	-	26,955	26,955
At 31 December 2023	<u>494</u>	<u>103,584</u>	<u>104,078</u>
Net book value			
At 31 December 2023	<u>-</u>	<u>42,699</u>	<u>42,699</u>
At 31 December 2022	<u>-</u>	<u>23,159</u>	<u>23,159</u>

FOUNDERS PLEDGE LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

13. Tangible fixed assets (continued)

Company

	Office equipment £	Computer equipment £	Total £
Cost			
At 1 January 2023	494	74,135	74,629
Additions	-	29,725	29,725
At 31 December 2023	494	103,860	104,354
Depreciation			
At 1 January 2023	494	62,174	62,668
Charge for the year	-	18,861	18,861
At 31 December 2023	494	81,035	81,529
Net book value			
At 31 December 2023	-	22,825	22,825
At 31 December 2022	-	11,961	11,961

14. Fixed asset investments

	Investments in associates £	Listed investments £	Total £
Group			
Cost or Valuation			
At 1 January 2023	-	1,245,348	1,245,348
Additions	45	1,054,875	1,054,920
Revaluations	-	209,567	209,567
Share of profit/(loss)	7,914	-	7,914
At 31 December 2023	7,959	2,509,790	2,517,749

FOUNDERS PLEDGE LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

14. Fixed asset investments (continued)

Company	Investments in associates £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2023	-	1,245,348	1,245,348
Additions	45	279,852	279,897
Revaluations	-	209,567	209,567
At 31 December 2023	<u>45</u>	<u>1,734,767</u>	<u>1,734,812</u>

Founders Pledge Ltd holds a 45% equity investment in Pledge Ventures Limited. The investment is accounted for using the equity method in the group.

15. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade debtors	-	53	-	53
Amounts owed by subsidiaries	-	-	560,197	495,356
Other debtors	66,376	17,717	57,999	9,726
Prepayments and accrued income	2,526,470	453,392	2,489,845	424,672
	<u>2,592,846</u>	<u>471,162</u>	<u>3,108,041</u>	<u>929,807</u>

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

16. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Trade creditors	5,052	74,139	5,887	51,091
Amounts owed to subsidiaries	-	-	21,178	24,761
Other taxation and social security	119,234	113,064	119,234	113,064
Other creditors	49,767	14,811	1,541	14,811
Accruals and deferred income	312,957	405,050	90,683	175,053
	487,010	607,064	238,523	378,780

Deferred income relates to a consultancy contract.

17. Financial instruments

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	1,734,767	1,245,348	1,734,767	1,245,348

Financial assets measured at fair value through income and expenditure comprise listed investments.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds						
General Funds - all funds	10,588,342	5,548,131	(6,729,039)	1,683,217	(420,625)	10,670,026
Share of net income from associates		7,914				7,914
Total		5,556,045				10,677,940
Restricted funds						
Pledge fulfilment fund	24,293,099	105,782,307	(101,562,103)	(1,683,217)	882,759	27,712,845
Total of funds	34,881,441	111,338,352	(108,291,142)	-	462,134	38,390,785

Restricted funds

Pledge fulfilment fund represents pledges received from members where due diligence on a potential recipient has not been completed.

The Patient Philanthropy Fund (PPF)

The Fund was launched as a special trust within Founders Pledge Ltd in October 2021. The PPF is an FP-incubated grant-making vehicle which invests to give for maximum long-term impact.

The PPF takes a patient approach to philanthropy: it invests contributions until the time is optimal for it to make large grants aimed at improving the long-term future. This means that - in addition to identifying the highest-impact giving opportunities at any particular point in time - it aims to identify the point in time when the highest-impact opportunities are available, which may be years, decades, or even centuries ahead.

In accordance with its long-term strategy and purpose (and Charity Commission guidance). Founders Pledge Ltd is the sole trustee of the PPF. It has appointed and devolved all management responsibilities to a Management Committee (MC) consisting of purpose-aligned experts on timing of giving

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

18. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2022 £</i>
Unrestricted funds					
General Funds - all funds	8,274,606	5,866,122	(4,645,326)	1,092,940	10,588,342
Restricted funds					
Pledge fulfilment fund	17,756,434	47,835,982	(41,299,317)	-	24,293,099
Total of funds	<u>26,031,040</u>	<u>53,702,104</u>	<u>(45,944,643)</u>	<u>1,092,940</u>	<u>34,881,441</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	42,699	-	42,699
Fixed asset investments	7,959	2,509,790	2,517,749
Current assets	10,937,554	25,379,793	36,317,347
Creditors due within one year	(310,272)	(176,738)	(487,010)
Total	<u>10,677,940</u>	<u>27,712,845</u>	<u>38,390,785</u>

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	23,159	-	23,159
Fixed asset investments	-	1,245,348	1,245,348
Current assets	11,172,247	23,047,751	34,219,998
Creditors due within one year	(607,064)	-	(607,064)
Total	10,588,342	24,293,099	34,881,441

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	<i>Group 2022 £</i>
Net income for the year (as per Statement of Financial Activities)	3,846,949	7,761,560
Adjustments for:		
Depreciation charges	26,955	18,973
Share of income in associate	(7,914)	-
Gain on investments	(209,567)	(4,099)
Dividends and interest from investments	(1,006,085)	(313)
(Increase)/decrease in debtors	(2,681,881)	559,325
Increase in creditors	440,143	378,165
Foreign exchange losses	(337,605)	1,088,841
Net cash provided by operating activities	70,995	9,802,452

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

21. Analysis of cash and cash equivalents

	Group 2023 £	<i>Group 2022 £</i>
Cash in hand	33,724,501	33,748,836
Total cash and cash equivalents	33,724,501	33,748,836

22. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	33,748,836	(24,335)	33,724,501
	33,748,836	(24,335)	33,724,501

23. Operating lease commitments

At 31 December 2023 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Not later than 1 year	86,908	103,271	58,464	50,784
Later than 1 year and not later than 5 years	-	201,665	-	175,392
	86,908	304,936	58,464	226,176

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Operating lease rentals	182,368	113,067	135,398	60,580

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

24. Related party transactions

During the year ended 31 December 2023, donations and contributions totalling £1,141,647 (2022: £1,224,309) were received from Trustees and key management personnel (and their immediate relatives).

In addition, during the year ended 31 December 2023, grants were made totalling £2,029,706 to Givewell UK. This is a charity in which L.H.L Ding is also a trustee for. The year amount owing to Givewell UK was £nil. No donations occurred during 2023 and no balances were outstanding at 31 December 2023.

Furthermore, during the year, the entity received donations of £117,642 from Pledge Ventures, a company which Founders Pledge limited owns 45% of the issued share capital.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

25. Subsidiaries

Founders Pledge Inc.

The above charity is registered at 228 Park Ave S, PMB 71081, New York, New York 10003 in the United States of America, and is consolidated as control exists through the ability of Founders Pledge Ltd to appoint members of the Founders Pledge, Inc Board of Directors.

The financial results for the year translated to GBP (£) were:

	2023	2022
Income	27,759,831	19,218,051
Expenditure	29,541,337	23,007,660
Investment gains	Nil	542
(Loss)/Profit	(1,990,879)	(3,790,151)
Net assets	5,273,055	7,277,440

Amounts owed from Founders Pledge Inc. are included as a debtor in the parent charity's results and totalling £560,197 (2022: debtor of £489,144).

Founders Pledge gGmbH

The above charity is registered c/o Effektiv Spenden, Müllerstraße 138D, 13353 Berlin, Germany, and was acquired on 4 December 2020. The entity was donated to the group by the sole shareholder for no cost and therefore is consolidated on the basis of ownership.

During the prior year a grant of £86,145 was awarded to Founders Pledge gGmbH from Founders Pledge Ltd.

The financial results for the year translated to GBP (£) were:

	2023	2022
Income	555,374	1,169,758
Expenditure	992,135	1,344,460
(Loss)/Profit	(464,850)	(174,702)
Net assets	824,956	1,290,129

Amounts owed to Founders Pledge gGmbH are included as a creditor in the parent entity's results and totalled £8,603 (2022: creditor of £1,538).

For both subsidiaries, the foreign exchange differences on consolidation are shown in the consolidated SOFA beneath the net income for the year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

The following was an associate of the Company:

During the year, Founders Pledge Ltd received a donation of £117,642 from Pledge Ventures Ltd.

Title	Founders Pledge 2023 Final Financial Statements
File name	Founders Pledge 2...al Statements.pdf
Document ID	52b6b1302b3dcccdae73eda493fdc7953684fc30
Audit trail date format	DD / MM / YYYY
Status	● Signed

Document History



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from ian@founderspledge.com
IP: 162.125.31.72



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10 / 06 / 2024

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IP: 209.212.211.34



SIGNED

10 / 06 / 2024

17:58:01 UTC+2

Signed by Vikrant Bhargava (vikrant@veddis.com)
IP: 209.212.211.34



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10 / 06 / 2024

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Founders Pledge Ltd

England & Wales - Charity number 1162201

Accounts

FOUNDERS PLEDGE LTD
Formerly Founders for Good Ltd
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

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FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2022**

Trustees

V Bhargava
D C Bonas
R I Chapman
L H L Ding
N D Hutchinson
P D Kimmelman (Resigned 22 July 2022)
A McLoughlin (appointed 8 July 2022)

Company registered number

08565148

Charity registered number

1162201

Registered office

Runway East
20 St. Thomas Street
London
SE1 9RS

Chief executive officer

David Goldberg

Independent auditor

Crowe U.K. LLP
Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR

Bankers

Silicon Valley Bank
14-18 Finsbury Square
London
EC2A 1BR

Hypovereinsbank
Potsdamer Platz 10
10785
Berlin
Germany

Pictet Group
Stratton House
6th Floor
5 Stratton Street
London
W1J 8LA

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Legal Advisor	Cooley UK LLP 69 Old Broad Street London EC2M 1 QS
Legal Advisors	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT
Legal Advisor	Withers Worldwide 20 Old Bailey London EC4M 7AN
Legal Advisor	Taylor Vinters Tower 42, 33rd Floor 25 Old Broad Street London EC2N 1HQ
Legal Advisor	Watson, Farley & Williams 15 Appold St London EC2A 2HB

Trustees Report

For the year ended 31 December 2022

The Trustees present their annual report and strategic report, together with the audited financial statements for the year 1 January 2022 to 31 December 2022. This report is intended for Founders Pledge as a group comprising Founders Pledge Ltd (formerly Founders for Good Ltd), Founders Pledge Inc, and Founders Pledge gGmbH, and all references to the “group” are intended to refer to all three entities. The Trustees confirm that the Annual Report and financial statements of the group comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by the updates.

Administrative Details for Founders Pledge Ltd

Charity Number: 1162201

Company Number: 08565148

Trading Name: Founders Pledge

The Trustees of Founders Pledge Ltd are:

- Vikrant Bhargava (Chair)
- Dafna Ciechanover Bonas
- Robert Ian Chapman
- Luke Hsi Lin Ding
- Neil David Hutchinson
- Andrew McLoughlin

All Trustees can be reached via the principal office address of Founders Pledge Ltd: Runway East, 20 St Thomas Street, London SE1 9RS.

Strategic Report

Mission, Vision and Model

Founders Pledge's mission is to empower entrepreneurs to do immense good. Our vision is that the value created by technology benefits those who need it most. We work to achieve this by helping our members become more informed and strategic philanthropists. The steps on this journey are:

1. **Pledge** - members commit a portion of their current or future wealth to charity.
2. **Connect** - we provide opportunities to collaborate with each other and learn from experts.
3. **Learn** - we provide philanthropic advice and in-depth charity research so that members can maximise the impact of their donations.
4. **Give** - we facilitate members' donations, providing a global Donor Advised Fund and end-to-end giving infrastructure.

Our Achievements

In 2022 we guided \$66m in grants to end user charities and our thematic funds of which \$26m was granted to our recommended high impact funding opportunities (HIFO), and welcomed 80 new members who pledged a total of \$1.26bn. This is against our objectives of moving \$30m to HIFO and adding \$1bn in pledge value.

Member Journey

We continued to have good engagement from our members in 2022. We fine-tuned the member experience across every stage of their journey, improving our products and services to be more robust, efficient and future-proof, such as:

- Combining many of our products and services into a single digital product - a Member App from which members can make contributions to their Donor Advised Fund, make grants to end-user charities, and see their giving history;
- Creating optimal member journeys to maximise member engagement to and within our philanthropic advisory service, allowing our team to deliver a quality, values-aligned service more efficiently;
- Standardising our charity evaluation process, increasing research specialisation across cause areas and expanding our relationships with research partners, such as GiveWell, Open Philanthropy, Charity Entrepreneurship, and the Happier Lives Institute, enabling us to source recommendations more rapidly;
- Refining our global grantmaking infrastructure to support a sustainable, consistent, seamless service based on industry best practice;
- Launching the Global Catastrophic Risks (GCR) Fund, which will tackle threats posed by the likes of pandemics, great power conflict, AI, nuclear disaster, and frontier military and civilian technologies.

We continue to make efforts to increase diversity within our membership, and we work consciously to diversify attendees of and speakers at our events.

Research & Advisory

Identifying the most effective charities to solve the world's most pressing problems is a challenging but critical element of our work. During 2022, our researchers continued to identify new high impact funding opportunities (HIFO). We have 49 recommendations with the ability to absorb productively up to \$2.3 billion in funding. Our advisors continued to support our members in building tailored giving portfolios, informed by the latest charity research. With our values-based approach, our advisors guided members through big questions and helped them articulate the core values that underpinned their giving.

We also trialled a new concept of working in a high-touch, bespoke way with an UHNW on a joint research agenda which resulted in £11.1m of grants. The experiment was deemed to be a success so we extended the experiment through into 2023 by signing up two additional UHNWs.

Patient Philanthropy Fund

2022 marked the first anniversary of the Patient Philanthropy Fund (PPF), a first of its kind fund designed to safeguard and improve the future of humanity. In 2022 the PPF invested just under \$2 million into an Index Fund. These funds will be disbursed during especially pivotal moments (for

example, when there is a major opportunity to protect our future or respond to an existential catastrophe that threatens it). In June 2022, the Fund (known by the Charity Commission as 'the linked charity') was formally registered as part of Founders Pledge ('the reporting charity'). This means that, in future, PPF can be separated out as a stand-alone charity; until then its governance, financial management, audit and all other operational issues are managed by Founders Pledge.

Future Plans

We will continue to focus on how we can leverage what matters most to our community and maximise every charitable dollar. In 2025, we want to be able to actively influence the granting of \$100m to our recommended charities (HIFO).

In 2023, on the path towards this goal, we plan to:

- Double the amount of money moved to HIFO from \$26m in 2022 to \$50m in 2023;
- Deliver a better giving experience for our community, through enhanced Donor Advised Fund offerings such as investment services and complex gift acceptance;
- Research cause areas and identify high-impact charities working in the areas of global catastrophic risk, climate, maternal and neonatal mortality, education, and scientific research;
- Bring our members even closer to the changes our high-impact charities are making around the world;
- Improve our website and Member App.

Fundraising

Support from FP's members and other generous donors drives our impact and ensures we can continue providing our members with: cutting-edge research and advisory services; events and programming to engage, challenge and inspire our community; our DAF and global giving infrastructure; and access to a community of impact-driven peers.

Our fundraising strategy centres around securing medium term commitments. Membership of the Foundry (major donors >\$250k for non-members, \$100k for members) requires a multi-year commitment, and Sustaining Partners (members donating >\$5k) is an annual giving programme for a larger pool of donors.

While we ended the year in a healthy financial position, 2022 was challenging from a fundraising perspective given the overall market conditions, in particular the impact on the tech sector. However, we secured several three-year Foundry-level gifts, which has ensured we have a solid fundraising foundation for 2023. We are doubling-down on requesting multi-year gift commitments, which allow us to plan ahead and create organisational stability.

Principal funding sources

Our principal funding sources are pledge fulfilment (when our donors become liquid and choose to put their pledged assets into one of the Founders Pledge Donor Advised Funds) and Opex gifts from members, other generous individuals, corporations and foundations for support of Founders Pledge's mission. Donations from our members supported 60% of our operating expenses in 2022.

Founders Pledge recognises the provisions of the Charities (Protection and Social Investment) Act 2016, and takes a responsible approach to its fundraising, ensuring that pledgers and potential pledgers are treated with respect. FP has not used any commercial fundraising partners or outsourced its fundraising activity. No complaints were received in respect of our fundraising operations.

Financial Review

Total income for the year was £53,702,104 (2021: £41,769,485), of which £5,756,041 (2021: £5,870,756) related to donations. Total expenditure for the year was £45,944,643 (2021: £35,637,551) of which £41,299,317 (2021: £31,979,692) related to grants.

Our main source of income over the period was pledge income from our members and donations from individuals and philanthropists. We are especially grateful for all the contributions received without which we will not be able to fulfil our objectives.

Our total funds at year-end were £34,881,441 (2021: £26,031,040) of which £24,293,099 were restricted (2021: £17,756,434) and £10,588,342 (2021: £8,274,606) were unrestricted.

Going Concern

It is our assessment that Founders Pledge has a strong foundation and will continue as a going concern. Founders Pledge Ltd intends to remain in operation beyond the foreseeable future. Discussion of increased and continued donations from our major donors is an ongoing process. As at 31 December 2022, our secured committed funds totalled \$16.7 million which equated to a runway of 25 months.

Despite the prevailing market conditions caused by global economic uncertainty, high interest rates and rising inflation, Founders Pledge ended 2022 in a strong financial position with 14 months' reserves cover (two months better than target). Founders Pledge successfully fundraised through the year, and anticipates sustaining its managed growth in operations during 2023. The cash position is being closely monitored by management on a monthly basis and quick action will be taken if there are indications of reduced reserve levels.

As a result, the Trustees confirm their assumptions that Founders Pledge is a going concern and that no significant uncertainty exists in this respect and the financial statements have been prepared on that basis.

Investment Policy

In 2022, the majority of our operational funds were held in cash, with a portion (\$1.75m) moved to a 12-month fixed term deposit account in December 2022.

Following the collapse of SVB in March 2023, and working closely with the Trustees and the Investment Committee, we developed a short-term investment plan. A new, longer-term financial arrangement will be in place by the summer of 2023.

Reserves Policy

In 2021, the management team set a policy to maintain a reserves target of 12 months cash at bank throughout the year, a reduction from 15 months during the COVID-19 pandemic, and 24 months runway target of cash at bank plus committed funding. We were able to maintain an average of 14 months throughout 2022 and ended 2022 with a runway figure of 25 months. We believe that these targets continue to be both important to track for our financial health as well as being set at the right level to provide assurance during continued difficult economic conditions. As at 31 December 2022, unrestricted cash reserves amounted to \$10.7 million, which would cover an estimated 14 months of operation.

In line with the Charity Commission's definition our free reserves stood at £10,565,183 which equates to our unrestricted funds excluding fixed assets.

Grant-Making Policy

The Philanthropic Services Team recommends grants for approval either to the Trustees or to those with delegated authority to approve on their behalf. The Philanthropic Services team conducts due diligence on the potential recipient and as part of the approval process it is ensured that any grants made are aligned with Founders Pledge's Charitable Purposes.

Stakeholder Considerations

Section 172 of the Companies Act 2006 requires the directors (Trustees) to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

The likely consequence of any decision in the long term

Our mission, vision and model, as set out above, have been carefully considered and selected as a long term strategy to meaningfully address some of the world's most pressing problems. The Board routinely reviews external factors that could have an impact on the success of the charity, and ensures that we have a suitable strategy in place to continue to be able to deliver on our charitable objectives in the long term.

The interests of the company's employees

The employees of the charity are critical to the success of our mission, and as such the Board gives ongoing consideration to ways in which we can ensure that employees are adequately supported in their roles. In 2022 we were able to get our average weekly engagement and welfare survey scores above the industry benchmark. The flexibility of this metric enables the Board and management to react quickly to any shifts or dips in factors contributing to culture and engagement to ensure the ongoing welfare of the team. Additionally, it was decided that given the cost of living crisis faced by our employees, we would use a portion of an underspend in our 'Salaries' budget line to provide a cost of living payment to all Founders Pledge employees, equal to £3,500 / €3,500 / \$4,000. This payment has been delivered in two instalments in December 2022 and March 2023.

The need to foster the company's business relationships with suppliers, customers and others

Relationships with our partners, suppliers and members are paramount to the success of the charity. A single point of contact is assigned to each partner, supplier or member of the Founders Pledge community so that we can ensure a seamless and efficient experience for those who the charity works alongside. Any concerns are appropriately escalated and swiftly addressed, and we continuously receive overwhelmingly positive feedback from those members of the community with whom we have been actively engaged.

The impact of the company's operations on the community and the environment

Founders Pledge recognises our responsibility to sustainability, and the impact of the charity's operations. A key focus since 2021 has been the growth of the Founders Pledge Climate Fund, which seeks to save lives that would otherwise be lost to air pollution, reduce energy poverty, and protect the planet for current and future generations.

The desirability of the company maintaining a reputation for high standards of business conduct

The Trustees take their responsibility for the reputation of the charity seriously, and consider the reputational and ethical repercussions of all decisions that are taken by the company. This not only covers strategic decisions, but also extends to the consideration of partnerships, and decisions made about suppliers or contractors.

The need to act fairly as between members of the company

The company is a company limited by guarantee, with the Trustees fulfilling the duties of members of the company. The company does not have shareholders. As such, all members have an equal responsibility and rights, and each member is considered equally through the company's decision-making process and actions.

Future Performance & Risks

In 2022 we appointed a new Risk & Compliance Manager and the Trustees approved a new Risk Management Strategy. Our strategy is to move towards a data-led and quantitative approach to risk management. Our aim is to ensure we are allocating resources as effectively as possible to manage and mitigate risks.

Factors likely to affect future financial performance

Overall, Founders Pledge mainly relies on both grant and individual funding to support its operations. The performance of the organisation, however, is measured both in how much money we can secure in committed pledge funds, as well as how many grants we make. The main factors in securing pledge commitments are: trust in Founders Pledge by the public and potential members, our members ability to benefit from tax relief, , the professionalism with which we can maintain our relationships with our members, and the ability of the team to meet with founders at our own events as well as external events. The main factors in maintaining donor support for our operations are: the effectiveness of the grants we make, our ability to report that the donors' money isn't better spent elsewhere, and our ability to influence the money our members donate for grants.

Principal Risks and Uncertainties

The Trustees have established a risk management policy for the Founders Pledge group. It sets out what we do to manage risk and who is accountable and responsible for risk management. The Trustees have overall accountability for risk management and they delegate responsibility to management for managing risk day-to-day. The Audit and Risk Committee supports the Trustees in exercising their duties by advising on the effectiveness of management action in response to risk.

Risk is reported on for the group as a whole, with any entity specific risks identified as appropriate. The Trustees review risk and receive reports from the Audit and Risk Committee at every meeting.

The Trustees have considered the principal risks and uncertainties of the Group and identified the following as the most significant risks for attention:

Risks & Uncertainties	How FP is managing the risk
Global Economic Climate High interest rates and the threat of recession continues to impact tech valuations and financing. The risk to FP is that this reduces Members' liquidity, which reduces their available funds, which then reduces our impact. This might then reduce our opex funding from donors. There is also a risk that it directly affects our donors and reduces their ability to fund our work.	We have managed this risk throughout 2022 but we continue to be alert to the risk in 2023. The Trustees and Management regularly review the reserves and runway to ensure we are able to manage fluctuations in donor giving. This includes reporting on fundraising and the donor pipeline. We also monitor data on charitable giving from our Members to identify any trends that would indicate reductions in giving as a result of this risk.
Loss of a High Value Member Losing a high value Member, specifically a Member who gives significant sums to our recommended HIFO, would reduce our impact, which then might reduce our funding from donors.	We have prioritised actions to focus on Member services and their connection to Founders Pledge, including a new events programme, ongoing improvements to the Member App, and creating a new website. We monitor Member affinity and feedback and we also ensure we are capturing our impact to demonstrate the value we add to donors and funders.
IT & Data Security If we had a major cyber attack and/or a significant data breach, there is a risk that we could face fines or penalties if we were found to have failed to protect personal data adequately. This would also damage our reputation with our Members and stakeholders.	Ensuring the security of the data we hold is a top priority. We have invested in improving IT and data security over the last 12 months and we are continuing to prioritise internal projects that will make our data more secure. This includes ongoing work to ensure compliance with data protection good practice, and penetration testing of our key systems.
Compliance with Laws & Regulations We operate across the globe and are committed to providing grants to the most effective charities wherever they operate. This increases the risk that we might breach laws or regulations, especially in our grantmaking, as we navigate the complexities of different charitable regulatory environments.	We have detailed processes, including robust grantee due diligence, to mitigate the risk of breaching laws or regulations in our grantmaking. We also have 'Know Your Donor' processes to ensure we know the source of the money we receive. We have also invested in internal compliance resources, creating a new Risk & Compliance Manager post, and we have access to legal advisors to help us manage legal risks in our operations.

This strategic report was approved by the Trustees in their capacity as company directors on 23 May 2023 and signed on their behalf by Vikrant Bhargava, Chair of Trustees.

[SIGNED] *Vikrant Bhargava*

Vikrant Bhargava

Trustees Report

Structure, Governance And Management

Founders Pledge Ltd has two wholly owned subsidiaries, each of which have their own governance structures:

- Founders Pledge Inc, a Delaware non-stock corporation which is a 501(c)(3) private foundation registered in the USA; and
- Founders Pledge gmbH, a registered non-profit limited liability company in Germany.

As Founders Pledge Ltd has overall control, these are consolidated on a line by line basis.

Governing Document

Founders Pledge Ltd is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new Trustees

Founders Pledge recognises that an effective Board of Trustees is essential if the charity is to be effective in achieving its objects. The Board must seek to be representative of the people with whom the charity works and must have available to it all of the knowledge and skills required to run the charity. Individual Trustees must have sufficient knowledge, both of trusteeship in general and of the charity's activities, to enable them to carry out their role and to represent the charity at meetings and other events.

Individuals who appear suitable candidates will be invited to attend individual meetings with existing Trustees and will receive further information regarding the role of being a Trustee. If, following this meeting, at least two Trustees wish to proceed the candidate will need to be approved by a two-thirds vote of existing Trustees/Board directors. New Board members are inducted via sharing a data-pack of relevant reading materials, after which a series of meetings are scheduled with CEO, COO and other key employees for briefing and Q&A.

Decision-Making

The Trustees focus on strategy, performance and assurance and delegate operational matters to the CEO and staff of Founders Pledge. Specific Trustee duties and delegations are set out in the Founders Pledge Signing Matrix. Trustees approve budgets, policies and remuneration proposals for the CEO. All Founders Pledge Ltd grants are reviewed by the Board and approvals are conducted by the Trustees or by senior staff according to the Founders Pledge Grant Approvals

Delegation framework. The Founders Pledge Signatory and Approvals Matrix document outlines where Trustees delegate approvals and signatory authority to staff members and at which thresholds. Staff proactively bring any decisions which incur medium to high level of risk to the Trustees for their oversight, and the Trustees regularly review the Founders Pledge risk register and make recommendations. The Founders Pledge Audit and Risk Committee also make recommendations to the Trustees to inform their decision making.

Pay policy for key management personnel

The Trustees consider and assess pay levels for all staff taking into account market conditions as well as individual roles and responsibilities. The pay of the key management personnel is reviewed annually by the Trustees to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Objectives And Activities

Objectives and aims for the public benefit

The objects of the Charity are:

- to support the charitable sector by promoting and improving the efficiency and effectiveness of methods used to secure charitable resources, in particular (but not exclusively) by raising awareness among individuals involved in the digital business community;
- to advance the education of individuals and organisations working in technology, digital media and other digital industries as to the ways in which their business knowledge and experience could be used to improve the effectiveness of charities, in particular but not exclusively by:
 - the provision of training; and
 - the provision of educational programmes
- to further such purpose(s) which are exclusively charitable according to the law of England and Wales in such manner as the Trustees in their absolute discretion think fit.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant-making policy for the year.

The Charity carries out these objects through its charitable activities by:

- Running in person and virtual events for our members, with 173 in-person attendees during the year; we also ran three retreats hosting 89 members. Post-pandemic, we are experiencing increased engagement in our events and are scaling our in-person offering for 2023, as well as continuing with virtual programming. In 2023, we'll be offering three retreats and will be trialling new event formats such as Community Socials, virtual salon-style events on member giving journeys and field trip excursions.
- Making a significant number of grants: as at 31 December 2022, we and our members had made 2,522 grants, of which 30% were made in 2022. All time, we have moved \$52.1M to more than 70 high impact charities.
- Maintaining our ambition to grow our community of members and increase the pledge value of commitments.
- Continuing to expand our research expertise and publishing a number of reports, on topics ranging from Climate Change to Great Power Conflict, which are available online.

As at 31 December 2022, our members have committed around \$9.5bn to the charitable sector by signing a Founders Pledge pledge.

Statement of Trustees Responsibilities

The Trustees (who are also directors of Founders Pledge Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and UK Generally Accepted Accounting Practice (UK Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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 charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's articles of association. 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.

Disclosure of Information to Auditors

The Trustees reappointed Crowe UK LLP as their auditors for this accounting period. Insofar as each of the Trustees of the charity at the date of approval of this report is aware, there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the group's auditor is aware of that information.

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and Crowe UK LLP will therefore continue in office.

This report was approved by the Trustees in their capacity as company directors on 23 May 2023 and signed on their behalf by Vikrant Bhargava, Chair of Trustees.

[SIGNED] *Vikrant Bhargava*

Vikrant Bhargava

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS PLEDGE LTD

Opinion

We have audited the financial statements of Founders Pledge Ltd ('the charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS PLEDGE LTD (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Director's Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS PLEDGE LTD (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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

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

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

We obtained an understanding of the legal and regulatory frameworks within which the Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102) 2019 and the Internal Revenue Service for compliance with the local tax regulations in the United States of America. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and safety legislation, Taxation legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of donation income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, designing audit procedures over donation income and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS PLEDGE LTD (CONTINUED)

material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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



Tara Westcott (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Fourth Floor

St James House

St James Square

Cheltenham

GL50 3PR

Date: 27 June 2023

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations	4	5,756,041	47,835,982	53,592,023	41,730,792
Other trading activities	5	109,768	-	109,768	38,239
Investments	6	313	-	313	454
Total income		5,866,122	47,835,982	53,702,104	41,769,485
Expenditure on:					
Raising funds	7	13,161	-	13,161	31,713
Charitable activities	8	4,632,165	41,299,317	45,931,482	35,605,838
Total expenditure		4,645,326	41,299,317	45,944,643	35,637,551
Net income before net gains on investments		1,220,796	6,536,665	7,757,461	6,131,934
Net gains on investments		4,099	-	4,099	6,251
Net income		1,224,895	6,536,665	7,761,560	6,138,185
Foreign exchange gains/(losses)		1,088,841	-	1,088,841	(34,140)
Net movement in funds		2,313,736	6,536,665	8,850,401	6,104,045
Reconciliation of funds:					
Total funds brought forward		8,274,606	17,756,434	26,031,040	19,926,995
Net movement in funds		2,313,736	6,536,665	8,850,401	6,104,045
Total funds carried forward		10,588,342	24,293,099	34,881,441	26,031,040

The notes on pages 22 to 42 form part of these financial statements.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08565148

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	23,159	20,136
Investments	14	1,245,348	-
		<u>1,268,507</u>	<u>20,136</u>
Current assets			
Debtors	15	471,162	1,030,487
Cash at bank and in hand		33,748,836	25,209,316
		<u>34,219,998</u>	<u>26,239,803</u>
Current liabilities			
Creditors: amounts falling due within one year	16	(607,064)	(228,899)
		<u>33,612,934</u>	<u>26,010,904</u>
Net current assets			
		<u>34,881,441</u>	<u>26,031,040</u>
Net assets			
		<u>34,881,441</u>	<u>26,031,040</u>
Charity funds			
Restricted funds	18	24,293,099	17,756,434
Unrestricted funds	18	10,588,342	8,274,606
		<u>34,881,441</u>	<u>26,031,040</u>
Total funds			
		<u>34,881,441</u>	<u>26,031,040</u>

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Vikrant Bhargava

V Bhargava
Chair of Trustees
Date: 23 May 2023

The notes on pages 22 to 42 form part of these financial statements.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08565148

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	11,961	12,172
Investments	14	1,245,348	-
Current assets			
Debtors	15	929,807	641,232
Cash at bank and in hand		24,515,279	14,109,851
Current liabilities		25,445,086	14,751,083
Creditors: amounts falling due within one year	16	(378,780)	(273,848)
Net current assets		25,066,306	14,477,235
Net assets		26,323,615	14,489,407
Charity funds			
Restricted funds	18	21,034,660	11,566,779
Unrestricted funds	18	5,288,955	2,922,628
Total funds		26,323,615	14,489,407

The Company's net movement in funds for the year was £11,834,208 (2021 - £3,122,981).

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Vikrant Bhargava

V Bhargava
Chair of Trustees
Date: 23 May 2023

The notes on pages 22 to 42 form part of these financial statements.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	20	9,802,452	5,755,632
Cash flows from investing activities			
Dividends, interests and rents from investments		313	454
Purchase of tangible fixed assets		(21,996)	(13,014)
Proceeds from sale of investments		390,677	1,075,316
Purchase of investments		(1,631,926)	(859,706)
Net cash (used in)/provided by investing activities		(1,262,932)	203,050
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		8,539,520	5,958,682
Cash and cash equivalents at the beginning of the year		25,209,316	19,250,634
Cash and cash equivalents at the end of the year	21	33,748,836	25,209,316

The notes on pages 22 to 42 form part of these financial statements

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Founders Pledge Ltd is a charitable company, limited by guarantee, domiciled in England and Wales, company registration number 08565148 and charity registered number 1162201. The registered office is Runway East, 20 St Thomas Street, London, SE1 9RS.

The charity previously operated under the name Founders for Good Ltd however this was amended to Founders Pledge Ltd from 17 January 2023.

The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Founders Pledge Ltd meets the definition of a public benefit entity under FRS 102.

The financial statements consolidate the accounts of Founders Pledge Ltd and its subsidiary undertakings. The subsidiary charities, Founder Pledge Inc. and Founders Pledge GmbH have been included in the consolidation as Founders Pledge Ltd is deemed to have control as they are able to appoint the Trustees of the charities. The results of the subsidiaries have been consolidated on a line by line basis.

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

2.2 Going concern

Despite the prevailing market conditions caused by global economic uncertainty, high interest rates and rising inflation, Founders Pledge ended 2022 in a strong financial position with 14 months' reserves cover (two months better than target). Founders Pledge successfully fundraised through the year, and anticipates sustaining its managed growth in operations during 2023. The cash position is being closely monitored by management on a monthly basis and quick action will be taken if there are indications of reduced reserve levels.

As a result, the Trustees confirm their assumptions that Founders Pledge is a going concern and that no significant uncertainty exists in this respect and the financial statements have been prepared on that basis.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.3 Income

All income is recognised once the group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT where applicable. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of raising funds relates to activities that are intended to generate income.

Expenditure on charitable activities is allocated to the relevant charitable activities on a basis consistent with resources used against the strategic plan.

Governance costs relate to the governance of the group apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the spot rate on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

2.6 Taxation

As a charity the group is exempt from UK corporation tax to the extent that its income is applied to its charitable objects.

Founders Pledge Ltd is a VAT registered charity and therefore required to comply with VAT law. Quarterly VAT returns are submitted in arrears to HMRC.

2.7 Tangible fixed assets and depreciation

All items with a value over £1,000 are reviewed to identify if they are of a capital nature. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value on a straight line basis over their estimated useful lives.

Depreciation is provided on the following basis:

Office equipment	-	25%
Computer equipment	-	33%

Where any assets are impaired in value, provisions are made to reduce the book value on such assets to the recoverable amount.

2.8 Investments

Fixed asset investments are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

2.9 Financial instruments

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.11 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are donor funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Patient Philanthropy Fund (PPF) was set up during 2021. This is not a separate legal entity and is included within the charity's own results. This is a restricted fund and is treated as a special trust.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Income recognition

In applying the group's policy for income recognition the Trustees are required to consider the group's entitlement to the receipt of the income based on the terms of the 'pledge'. The applied accounting treatment is that of receipts, given the uncertainty of whether the funds would be received through Founders Pledge or whether the 'pledge' funds would be directed through a private foundation or other charity.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Income from donations

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	5,756,041	47,835,982	53,592,023	41,730,792
	<u>5,870,756</u>	<u>35,860,036</u>	<u>41,730,792</u>	
<i>Total 2021</i>				

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Fundraising event	109,768	109,768	10,435
DAF Fees	-	-	27,804
	<u>109,768</u>	<u>109,768</u>	<u>38,239</u>
<i>Total 2021</i>	<u>38,239</u>	<u>38,239</u>	

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Bank interest	201	201	228
Dividend Income	112	112	226
	<u>313</u>	<u>313</u>	<u>454</u>
<i>Total 2021</i>	<u>454</u>	<u>454</u>	

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Website	9,198	9,198	17,298
Travel and subsistence	3,189	3,189	4,759
Advertising	774	774	9,656
Total 2022	<u>13,161</u>	<u>13,161</u>	<u>31,713</u>
<i>Total 2021</i>	<u>31,713</u>	<u>31,713</u>	

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Charitable activities	4,632,165	41,299,317	45,931,482	35,605,838
<i>Total 2021</i>	3,626,146	31,979,692	35,605,838	

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable activities	307,774	41,299,317	4,324,391	45,931,482	35,605,838
<i>Total 2021</i>	222,724	31,979,692	3,403,422	35,605,838	

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Direct activities 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	3,836,295	3,836,295	2,624,582
Depreciation	18,973	18,973	26,593
Events costs	89,032	89,032	2,665
Freelance fees	114,250	114,250	18,199
Consultancy fees	13,600	13,600	10,654
IT costs	90,865	90,865	75,914
Staff training	14,956	14,956	3,657
Recruitment	5,051	5,051	13,574
Other staff costs	311,657	311,657	135,335
Support travel costs	6,616	6,616	592
Foreign exchange (gain)/loss	(605,688)	(605,688)	143,985
Audit and accountancy	19,816	19,816	36,162
Bank charges	26,118	26,118	18,546
Telephone and internet	3,066	3,066	2,918
Legal expenses	103,712	103,712	143,453
General office expenses	79,770	79,770	54,901
Property rent and other costs	114,117	114,117	63,721
Other costs	41,233	41,233	(1,329)
Governance costs	40,952	40,952	29,300
	<u>4,324,391</u>	<u>4,324,391</u>	<u>3,403,422</u>

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Grants	41,299,317	41,299,317	31,979,692
<i>Total 2021</i>	31,979,692	31,979,692	

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Name of institution

The Group has made the following material grants to institutions during the year:

	2022	2021
	£	£
Action for Happiness	-	735,000
Alpenglow Group	756,900	-
Berkeley Existential Risk Initiative	-	1,160,244
Berkeley Risk and Security Lab	1,577,287	-
Center for Applied Rationality	-	1,949,733
Center for Human-Compatible AI (CHAI)	-	1,426,761
Centre for Effective Altruism (CEA)	-	2,691,242
Centre for Long-Term Resilience / Alpenglow	-	1,432,645
Clean Air Task Force (CATF)	-	971,517
Climate Change Fund	-	1,020,693
Climate Fund	-	2,994,467
EIDU	750,000	-
Emergent Ventures	828,514	-
HKI Vitamin A	750,000	-
Impact Challenge	-	726,970
M33	-	1,031,923
Ocean Conservancy Inc	-	872,364
Redwood Research	-	966,870
Sightsavers	750,000	-
Surgo Ventures UK	-	750,000
Teaching at the Right Level (TaRL) Africa	1,701,650	951,784
TerraPraxis	-	1,675,335
Ukraine TrustChain	1,000,000	-
We Help Ukrainians	1,200,000	-
Grants less than £645,000	31,984,966	10,622,144
	41,299,317	31,979,692

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. Auditor's remuneration

	2022	<i>2021</i>
	£	£
Fees payable for the audit of the consolidated group accounts	18,240	16,550
Fees payable to the group's auditor in respect of:		
Audit of the US subsidiary	9,378	9,195
All non-audit services not included above	3,781	3,576
	<u> </u>	<u> </u>

12. Staff costs

	Group	<i>Group</i>	Company	<i>Company</i>
	2022	<i>2021</i>	2022	<i>2021</i>
	£	£	£	£
Wages and salaries	3,384,152	2,309,363	1,934,700	1,635,757
Social security costs	369,857	271,064	241,632	191,672
Contribution to defined contribution pension schemes	82,286	44,155	44,496	32,673
	<u>3,836,295</u>	<u>2,624,582</u>	<u>2,220,828</u>	<u>1,860,102</u>

The average number of persons employed by the Group during the year was as follows:

	Group	<i>Group</i>
	2022	<i>2021</i>
	No.	No.
Employees	43	29
Directors	11	11
	<u>54</u>	<u>40</u>

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	<i>Group 2021 No.</i>
In the band £60,001 - £70,000	4	4
In the band £70,001 - £80,000	4	1
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	7	2
In the band £100,001 - £110,000	2	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	1
In the band £150,001 - £160,000	-	1
In the band £160,001 - £170,000	1	-

Total remuneration in respect of key management personnel was £1,261,851 (2021: £1,155,474).

During the year ended 31 December 2022, no Trustee received remuneration (2021: £nil) and no Trustee expenses have been incurred (2021: £nil).

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Tangible fixed assets

Group

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2022	20,873	86,427	107,300
Additions	-	21,996	21,996
Disposals	(20,379)	(8,635)	(29,014)
At 31 December 2022	494	99,788	100,282
Depreciation			
At 1 January 2022	19,427	67,737	87,164
Charge for the year	1,446	17,527	18,973
On disposals	(20,379)	(8,635)	(29,014)
At 31 December 2022	494	76,629	77,123
Net book value			
At 31 December 2022	-	23,159	23,159
At 31 December 2021	1,446	18,690	20,136

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Tangible fixed assets (continued)

Company

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2022	20,873	69,187	90,060
Additions	-	13,583	13,583
Disposals	(20,379)	(8,635)	(29,014)
At 31 December 2022	494	74,135	74,629
Depreciation			
At 1 January 2022	19,427	58,461	77,888
Charge for the year	1,446	12,348	13,794
On disposals	(20,379)	(8,635)	(29,014)
At 31 December 2022	494	62,174	62,668
Net book value			
At 31 December 2022	-	11,961	11,961
At 31 December 2021	1,446	10,726	12,172

14. Fixed asset investments

Group and Company	Listed investments £
Valuation	
Additions	1,631,926
Disposals	(390,677)
Revaluations	4,099
At 31 December 2022	1,245,348

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	53	37,810	53	35,000
Amounts owed by subsidiaries	-	-	495,356	18,432
Other debtors	17,717	8,521	9,726	6,593
Prepayments and accrued income	453,392	984,156	424,672	581,207
	471,162	1,030,487	929,807	641,232

16. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	74,139	572	51,091	322
Amounts owed to subsidiaries	-	-	24,761	73,254
Other taxation and social security	113,064	52,900	113,064	52,900
Other creditors	14,811	9,799	14,811	9,799
Accruals and deferred income	405,050	165,628	175,053	137,573
	607,064	228,899	378,780	273,848

Deferred income relates to a consultancy contract.

17. Financial instruments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial assets				
Financial assets measured at fair value through income and expenditure	1,245,348	-	1,245,348	-

Financial assets measured at fair value through income and expenditure comprise listed investments.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds					
General Funds - all funds	8,274,606	5,866,122	(4,645,326)	1,092,940	10,588,342
Restricted funds					
Pledge fulfilment fund	17,756,434	47,835,982	(41,299,317)	-	24,293,099
Total of funds	26,031,040	53,702,104	(45,944,643)	1,092,940	34,881,441

Restricted funds

Pledge fulfilment fund represents pledges received from members where due diligence on a potential recipient has not been completed.

The Patient Philanthropy Fund (PPF)

The Fund was launched as a special trust within Founders Pledge Ltd in October 2021. The PPF is an FP-incubated grant-making vehicle which invests to give for maximum long-term impact.

The PPF takes a patient approach to philanthropy: it invests contributions until the time is optimal for it to make large grants aimed at improving the long-term future. This means that - in addition to identifying the highest-impact giving opportunities at any particular point in time - it aims to identify the point in time when the highest-impact opportunities are available, which may be years, decades, or even centuries ahead.

In accordance with its long-term strategy and purpose (and Charity Commission guidance), FFG is the sole trustee of the PPF. It has appointed and devolved all management responsibilities to a Management Committee (MC) consisting of purpose-aligned experts on timing of giving

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

18. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2021 £</i>
Unrestricted funds						
General Funds - all funds	5,378,997	5,909,449	(3,657,859)	678,159	(34,140)	8,274,606
Restricted funds						
Pledge fulfilment fund	14,547,998	35,860,036	(31,979,692)	(678,159)	6,251	17,756,434
Total of funds	<u>19,926,995</u>	<u>41,769,485</u>	<u>(35,637,551)</u>	<u>-</u>	<u>(27,889)</u>	<u>26,031,040</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	23,159	-	23,159
Fixed asset investments	1,245,348	-	1,245,348
Current assets	9,926,899	24,293,099	34,219,998
Creditors due within one year	(607,064)	-	(607,064)
Total	<u>10,588,342</u>	<u>24,293,099</u>	<u>34,881,441</u>

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	20,136	-	20,136
Current assets	8,483,369	17,756,434	26,239,803
Creditors due within one year	(228,899)	-	(228,899)
Total	8,274,606	17,756,434	26,031,040

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	<i>Group 2021 £</i>
Net income for the year (as per Statement of Financial Activities)	7,761,560	6,138,185
Adjustments for:		
Depreciation charges	18,973	26,650
(Gain)/Loss on investments	(4,099)	6,251
Dividends and interest from investments	(313)	(454)
Decrease/(increase) in debtors	559,325	(391,126)
Increase in creditors	378,165	38,497
Foreign exchange losses	1,088,841	(62,821)
Net cash provided by operating activities	9,802,452	5,755,182

21. Analysis of cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>
Cash in hand	33,748,836	25,209,316
Total cash and cash equivalents	33,748,836	25,209,316

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

22. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	25,209,316	8,539,520	33,748,836
	<u>25,209,316</u>	<u>8,539,520</u>	<u>33,748,836</u>

23. Operating lease commitments

At 31 December 2022 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Not later than 1 year	103,271	-	50,784	-
Later than 1 year and not later than 5 years	201,665	-	175,392	-
	<u>304,936</u>	<u>-</u>	<u>226,176</u>	<u>-</u>

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Operating lease rentals	113,067	-	60,580	-

24. Related party transactions

During the year ended 31 December 2022, donations and contributions totalling £1,224,309 (2021: £1,153,591) were received from Trustees and key management personnel (and their immediate relatives).

During the prior year, grants were made to Founders Pledge gGmbH totalling £86,145. This was a related party through the CEO of Founders Pledge Ltd who held a majority stake in the entity before donating to the group. No transactions occurred during 2022 and no balances were outstanding at either 31 December 2022 or 31 December 2021.

FOUNDERS PLEDGE LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

25. Subsidiaries

Founders Pledge Inc.

The above charity is registered at 228 Park Ave S, PMB 71081, New York, New York 10003 in the United States of America, and is consolidated as control exists through the ability of Founders Pledge Ltd to appoint members of the Founders Pledge, Inc Board of Directors.

The financial results for the year translated to GBP (£) were:

	2022	2021
Income	19,218,051	21,401,629
Expenditure	23,007,660	19,322,300
Investment gains	542	6,252
(Loss)/Profit	(3,790,151)	2,079,328
Net assets	7,277,440	10,082,362

Amounts owed to Founders Pledge Inc. are included as a debtor in these accounts were £489,144 (2021: £17,422).

Founders Pledge gGmbH

The above charity is registered at Friedrichstr, 206, c/o e.ventures, 10969 Berlin, Germany, and was acquired on 4 December 2020. The entity was donated to the group by the sole shareholder for no cost and therefore is consolidated on the basis of ownership.

During the year a grant of £86,145 was awarded to Founders Pledge gGmbH from Founders Pledge Ltd.

The financial results for the year translated to GBP (£) were:

	2022	2021
Income	1,169,758	2,356,345
Expenditure	1,344,460	1,526,528
(Loss)/Profit	(174,702)	829,816
Net assets	1,290,129	1,412,512

Amounts owed from Founders Pledge gGmbH are included as a debtor in these accounts were £1,538 (2021: creditor of £74,840).

For both subsidiaries, the foreign exchange differences on consolidation are shown in the consolidated SOFA beneath the net income for the year.

Title	Founders Pledge Group Accounts
File name	Founders Pledge L...3 16 May 2023.pdf
Document ID	bc631e7e98bb8f234c4b0c4da89dee347f3d23a3
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 SENT	05 / 25 / 2023 09:52:43 UTC+1	Sent for signature to Vikrant Bhargava (vikrant@veddis.com) from diane@founderspledge.com IP: 87.237.68.26
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 SIGNED	05 / 25 / 2023 12:50:53 UTC+1	Signed by Vikrant Bhargava (vikrant@veddis.com) IP: 185.215.33.13
 COMPLETED	05 / 25 / 2023 12:50:53 UTC+1	The document has been completed.

Founders Pledge Ltd

England & Wales - Charity number 1162201

Accounts

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

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FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustees

D C Bonas
N D Hutchinson
P D Kimmelman (resigned 22 July 2022)
V Bhargava
R I Chapman
L H L Ding
Andrew McLoughlin (appointed 8 July 2022)

Company registered number

08565148

Charity registered number

1162201

Registered office

Runway East
20 St. Thomas Street
London
SE1 9RS

Chief executive officer

David Goldberg

Independent auditor

Crowe U.K. LLP
Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR

Bankers

Silicon Valley Bank
14-18 Finsbury Square
London
EC2A 1BR

Metro Bank
1 Southampton Row
Holborn
London
WC1B 5HA

Hypovereinsbank
Potsdamer Platz 10
10785
Berlin
Germany

Pictet Group
Stratton House
6th Floor
5 Stratton Street
London
W1J 8LA

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Legal Advisor	Cooley UK LLP 69 Old Broad Street London EC2M 1 QS
Legal Advisors	Macfarlanes LLP 20 Cursitor Street London EC4A 1Lt
Legal Advisor	Withers Worldwide 20 Old Bailey London EC4M 7AN
Legal Advisor	Taylor Vinters Tower42, 33rd Floor 25 Old Broad Street London EC2N 1HQ
Legal Advisor	Watson, Farley & Williams 15 Appold St London EC2A 2HB

STRATEGIC REPORT, TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report and strategic report, together with the audited financial statements for the year 1 January 2021 to 31 December 2021. This report is intended for Founders Pledge as a group comprising Founders For Good Ltd, Founders Pledge Inc, and Founders Pledge gGmbH, and all references to the “group” are intended to refer to all three entities. The Trustees confirm that the Annual Report and financial statements of the group comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by the updates.

ADMINISTRATIVE DETAILS FOR FOUNDERS FOR GOOD LTD, ITS TRUSTEES, AND ADVISORS

Charity Number: 1162201

Company Number: 08565148

Trading Name: Founders Pledge

The Trustees of Founders for Good Ltd are:

- Vikrant Bhargava (Chair)
- Dafna Ciechanover Bonas
- Robert Ian Chapman
- Luke Hsi Lin Ding
- Neil David Hutchinson
- Peter David Kimmelman (Resigned 22 July 2022)
- Andrew McLoughlin Appointed 8 July 2022

All Trustees can be reached via mail at the principal office address of Founders for Good Ltd:

Runway East,
20 St Thomas Street,
London
SE1 9RS

Solicitors for the organisation include:

Cooley LLP
22 Bishopsgate,
London,
EC2N 4BQ

Withers Worldwide
20 Old Bailey,
London,
EC4M 7AN

Taylor Vinters
Tower 42, 33rd Floor
25 Old Broad Street
London
EC2N 1HQ

Watson, Farley & Williams
15 Appold St,
London,
EC2A 2HB

Banking partners for the organisation include:

Silicon Valley Bank
14-18 Finsbury Square,
London
EC2A 1BR

Hypovereinsbank
Potsdamer Platz 10,
10785 Berlin,
Germany

Pictet Group
Stratton House, 6th Floor
5 Stratton Street
London W1J 8LA

Metro Bank
1 Southampton Row
Holborn
London
WC1B 5HA

STRATEGIC REPORT

MISSION, VISION AND MODEL

Our mission is to empower entrepreneurs to do immense good, and our vision is that the value created by technology benefits those who need it most. We work to achieve this by taking our members on a journey informed by evidence and expertise to become more informed and strategic philanthropists. The steps on this journey are:

- Pledge - members commit a chose portion of their current or future wealth to charity
- Connect - we support members throughout their journey with opportunities to collaborate with each other and learn from experts
- Learn - we provide philanthropic advice and in-depth charity research so that members can maximise the impact of their donations
- Give - we facilitate members' donations, providing a global Donor Advised Fund and end-to-end giving infrastructure

OUR ACHIEVEMENTS

In 2021 we saw giving to our high impact funding opportunities (HIFOs) increase and ultimately exceed our targets, with good representation in the animal welfare and future generation spaces (areas that can often be difficult to influence grants into). We produced a number of new HIFO recommendations, exceeded the new room for funding in climate change we had hoped for, and finalized our report on great power conflicts.

In 2021 we welcomed 101 new members, guided \$24 million in grants to our recommended charities (representing a 135% increase from 2020), \$61.7 million total in grants to end user charities, \$117.4 million donated to the charitable sector, and \$2.94 billion pledged to charity.

We grew our community and procured some substantial pledges. Our community grew in quality and diversity, with good engagement from members and 39% of new members being women or BAME/BIPOC.

We've continued to work to foster a strong culture for our employees, and have made solid progress on mitigating risks across the organisation.

RESEARCH AND ADVISORY

Identifying the most effective charities to solve the world's most pressing problems can be challenging. During 2021, our researchers continued to identify new high impact funding opportunities, with our total number of recommendations now standing at 26, with the ability to absorb up to \$554 million in funding productively. Our advisors continued to support our members build tailored giving portfolios to do immense good as easily and thoughtfully as possible, informed by the latest charity research. With our values-based approach, our advisors guided members through big questions and help them articulate the core values that

underpinned their giving. They worked with our members to understand their goals, identify charitable focus areas, and build giving portfolios to maximize impact.

PATIENT PHILANTHROPY FUND

In November, we launched the Patient Philanthropy Fund (PPF), a first of its kind fund designed to safeguard and improve the future of humanity. The PPF is exploring how investing financial resources now so they can be used to do more good in the future could be a powerful way to multiply long-term impact. We established the PPF to deploy funding during pivotal moments, for instance, when there is a major opportunity to protect our future or respond to an existential catastrophe that threatens it. The fund received public recognition, and we have achieved great support from both members of Founders Pledge and members of the public.

PLANS FOR FUTURE PERIODS

In 2022 we are seeking to reinforce our foundations so that we can scale our model in an effective way and continue to build an outstanding community with a view to future impact.

In order to do so our 2022 strategy will focus on:

- Ensuring that our organisation thrives, with sufficient new cash banked to maintain a healthy runway, continued high engagement scores across our team, and a focus maintained on mitigating organisational risk.
- Increasing the amount of our members' funds that are allocated to HIFO, using better data, increases in pledge percentage, increased engagement with our advisory recommendations and a smoother member experience through the giving phase as tools to achieve this.
- Continuing to build an engaged and impact-focussed community, thereby adding to our pledge value, welcoming new aligned members into the community, increasing the number of new members who are referred to the community and further engaging existing members of the community.

Founders For Good Ltd intends to remain in operation through at least the following two financial years. While funding has yet to be secured for this entire duration, discussion of increased and continued donations from our major donors is in process. As at 31 December 2021 our secured committed funds totalled \$15.7million which equates to a runway of 23 months. Our fundraising strategy centres around securing medium term commitments. Membership of the Foundry (major donors >\$250k) requires a 3 year commitment, and our programme of Sustaining Partners (members donating >\$5k) builds a larger pool of donors to cultivate towards ongoing and larger donations.

The Trustees and senior management team have been monitoring the current and potential ongoing impact of COVID-19 both directly on the Group's activities and indirectly in its areas of operations through reviewing changing UK and other government policy and advice, and through wider information gathering. The main considerations are as follows:

Operational

The Trustees and management continue to operate under a business protection plan which requires all staff to operate in line with government guidelines and work remotely when required and where practicable. Communications and on-line collaboration tools are being used within the Group that allow for efficient remote working and the Group's IT facilities are adequate to maintain operations on this basis for the foreseeable future. Founders Pledge has created a business continuity plan to ensure continued smooth operations should an employee unfortunately fall sick. Almost all roles can function from home just as they would in the office.

Fundraising Pipeline

In 2022 we are continuing to invest in the Foundry and Sustaining Partners donor communities, and we are continuing to integrate fundraising touchpoints and considerations across the business. We are also continuing to diversify our funding base through new corporate and foundation partners where we find alignment to ensure the sustainability of our fundraising streams. We are actively exploring other potential avenues for revenue generation, with the creation in 2022 of a trading subsidiary to explore the potential of raising funds for the business through non-primary purpose trading activities.

FUNDRAISING

The Group recognised the provisions of the Charities (Protection and Social Investment) Act 2016. The Group takes a responsible approach to its fundraising, ensuring pledgers and potential pledgers are treated with respect. The Group has not used any commercial fundraising partners or outsourced its fundraising activity. No complaints were received in respect of our fundraising operations.

We are hugely grateful for the generous support that we receive from those who have chosen to support us through gifts to cover our operating expenses. Member and community support drives our impact, and gifts from our members and other generous donors powers our research on the highest-impact charities, our advisory service, and our content-rich programmes for our community, while giving us the ability to plan for the future. We particularly recognise and thank our Foundry supporters, a community of visionary philanthropists who make generous gifts to our operations and play a pivotal role as leaders in our community.

Donations to our operating expenses ensure we can remain singularly focused on empowering our community to do the most good with every dollar donated to charity. Donations from our members supported nearly two thirds of our operating expenses in 2021. In addition to member support, a diverse group of individual donors, foundations and corporations supported our mission.

Founders Pledge is committed to fiscal responsibility and we work to maximise the impact of our budget. We have ambitious goals to continue to educate and serve our growing membership worldwide. In 2021, we increased our investment in "Give," as our members gave more than

any previous year. This spend ensured we made more grants - both in volume and value - while ensuring continuous improvements in risk mitigation.

In 2021, Founders Pledge secured £5,909,449 to cover our operating expenses, while providing a reserve of at least 12 months, which allows us to plan ahead and create organisational stability. As usual, fundraising saw a good push towards the end of the year, with both the fulfilment of existing commitments and several members choosing to become donors for the first time. This has kept our reserve and runway strong and we will seek to maintain this as we head into 2022, allowing the team to strengthen existing relationships and build an even more solid foundation for the coming year.

Principal funding sources

Our principal funding sources are pledge fulfillment (when our donors become liquid and choose to put their pledged assets into one of the Founders Pledge Donor Advised funds) and donations (which are the gifts provided to support Founders Pledge OPEX).

FINANCIAL REVIEW

Total income for the year was £41,769,485 (2020: £19,764,366), of which £5,870,756 (2020: £5,946,396) related to donations. Total expenditure for the year was £35,637,551 (2020: £9,842,428) of which £31,979,692 related to grants (2020: £6,241,369). Our main source of income over the period was donations from individuals and philanthropists and pledge income from our members. We are especially grateful for all the contributions received without which we will not be able to fulfil our objectives. Our total funds at year-end were £26,031,040 (2020: £19,926,995) of which £17,756,434 were restricted (2020: £14,547,998) and £8,274,606 (2020: £5,378,997) were unrestricted.

Going Concern

Due to the Covid-19 pandemic, Founders Pledge has adapted to a new normal. Due to a strong push to bring in outstanding fundraising, we have secured a more comfortable reserve to mitigate the risk of a prolonged window of effects from the pandemic. Throughout the pandemic, the management team have been modeling different future scenarios and determining contingency plans in the context of the risk appetite determined by the Board. The Trustees recognise that as the scenarios change, decisions may need to be made in relation to the scale of the Group's activities and the staffing levels required to support them. In 2021, Founders Pledge continued to be able to operate and fundraise successfully, and we anticipate sustaining careful growth in operations during 2022. The cash position of the organisation is being closely monitored by management on a monthly basis and quick action will be taken if we find indications of reduced reserve levels. With current reserve levels, even the most pessimistic scenario shows that the organisation can continue to operate as a going concern.

The Trustees and management team are regularly monitoring the position. The Trustees consider the state of Founders Pledge 's financial affairs to be satisfactory, and therefore consider it appropriate to prepare the financial statements on a going concern basis.

INVESTMENT POLICY

All our funds are currently held in cash and hence we currently don't have an investment strategy in place.

RESERVES POLICY

During the COVID-19 pandemic, the management team made the decision to increase the reserves target to a stretch goal of 15 months of cash at bank and runway target of 24 months of cash at bank plus committed funding. We held monthly financial reviews with a view to implementing further cost cutting measures if the reserves dipped below 12 months for any sustained period. We comfortably sustained reserves at an average of 14 months throughout 2021, and during our annual strategy planning in November of 2021, made the decision to reduce this target to 12 months of cash at bank going forward. This was partly due to our confidence in the organisation's ability to fundraise successfully into the foreseeable future, and also as it is felt that too large of a cash reserve may act to deter some potential donors, who feel that the organisation is already healthily funded. As at 31 December 2021, unrestricted reserves amounted to \$11.0 million, which is mostly represented by cash at bank and would cover an estimated 15 months of operation.

In line with the Charity Commission's definition our free reserves stood at £8,254,470 which equates to our unrestricted funds excluding fixed assets.

GRANT-MAKING POLICY

All grants are recommended by the Deployment Team for approval by either the Trustees or those with authority to approve on their behalf. The Deployment Team conducts due diligence on the potential recipient and as part of the approval process it is ensured that any grants made are aligned with Founders Pledge's Charitable Purposes.

STAKEHOLDER CONSIDERATIONS

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

The likely consequence of any decision in the long term

Our mission, vision and model, as set out above, have been carefully considered and selected as a long term strategy to meaningfully address some of the world's most pressing problems. The board routinely reviews external factors that could have an impact of the success of the charity, and ensures that we have a suitable strategy in place to continue to be able to deliver on our charitable objectives into the long term.

The interests of the company's employees

The employees of the charity are critical to the success of our mission, and as such the Board give ongoing consideration to ways in which we can ensure that employees are adequately supported in their roles. Management have implemented weekly culture/engagement surveys across all staff. In 2021 we were able to get our average above the industry benchmark. The flexibility of this metric enables the Board and management to react quickly to any shifts or dips in factors contributing to culture and engagement to ensure the ongoing welfare of the team.

The need to foster the company's business relationships with suppliers, customers and others

Relationships with our partners, suppliers and members are paramount to the success of the charity. A single point of contact is assigned to each partner, supplier or member of the Founders Pledge community so that we can ensure a seamless and efficient experience for those who the charity works alongside. Any concerns are appropriately escalated and swiftly addressed, and we continuously receive overwhelmingly positive feedback from those members of the community with whom we have been actively engaged.

The impact of the company's operations on the community and the environment

Founders Pledge recognises our responsibility to sustainability, and the impact of the charities operations. A key focus in 2021 has been the growth of the Founders Pledge Climate Fund, which seeks to save lives that would otherwise be lost to air pollution, reduce energy poverty, and protect the planet for current and future generations.

The desirability of the company maintaining a reputation for high standards of business conduct

The Trustees take their responsibility for the reputation of the charity seriously, and consider the reputational and ethical repercussions of all decisions that are taken by the company. This not only covers strategic decisions, but also extends to the consideration of partnerships, and decisions made about suppliers or contractors.

The need to act fairly as between members of the company

The company is a company limited by guarantee, with the Trustees fulfilling the duties of members of the company. The company does not have shareholders. As such, all members have an equal responsibility and rights, and each member is considered equally through the company's decision making process and actions.

FUTURE PERFORMANCE AND RISKS

Factors likely to affect future financial performance

Overall, Founders For Good Ltd mainly relies on both grant and individual funding to support its operations. The performance of the organisation, however, is measured both in how much money we can secure in committed pledge funds, as well as how many grants we make. The main factors in securing pledge commitments are: trust in Founders For Good Ltd by the public and potential members, our ability to provide tax relief to donors, the professionalism with which we can maintain our relationships with our members, and the ability of the team to meet with founders at our own events as well as external events. The main factors in maintaining donor support for our operations are: the effectiveness of the grants we make, our ability to report that the donors' money isn't better spent elsewhere, and our ability to influence the money our members donate for grants.

Principal Risks and Uncertainties

The Trustees have considered the key risks of the Group and continuously evaluate and manage the most significant risks, including reputational and organisational. During 2019 Founders Pledge established a risk register process in which potential risks are evaluated according to a consistent framework and policy, and risk events that have occurred are logged and reviewed. This process was further embedded during 2020 and continued throughout 2021.

This Risk register is updated quarterly with any risk events that have occurred and reassessments of potential risks. These are presented to the Audit and Risk Committee, and then to the board along with any recommendations from the Audit and Risk Committee.

Several high risks that were identified and mitigated in 2021 related to keeping critical functions staffed properly – specifically our finance/accounting, fundraising, and philanthropic services teams. These all now have much more robust standard processes and documentation in place to assist in staff transition and strategy development, with clearer responsibilities and fewer single points of failure.

Another source of primary risk covered our IT infrastructure. Progress here was mainly guided by necessity to secure physical laptops by enforcing drive encryption and password standards where possible. There is ongoing work to increase staff awareness of data security protocols and policies and to create shared data agreements between the Founders Pledge legal entities.

The Trustees have considered the key risks of the Group and continuously evaluate and manage the most significant risks, including reputational and organisational. The Trustees have established clear policies and procedures to mitigate and manage such risks. The Trustees have due regard to retaining and recruiting Trustees with sufficient skill and expertise to manage and strategically evaluate the risks.

This strategic report, was approved by the Trustees, in their capacity as company directors, on 17 August 2022 and signed on their behalf by:

Vikrant Bhargava, Chair of Trustees

A handwritten signature in black ink, appearing to read 'Vikrant Bhargava', written in a cursive style.

08 / 22 / 2022

TRUSTEES REPORT

STRUCTURE, GOVERNANCE AND MANAGEMENT

Founders Pledge Ltd has two wholly owned subsidiaries, each of which have their own Directors and governance structure. These are

- Founders Pledge Inc. a Delaware non-stock corporation which is a 501(c)(3) private foundation registered in the USA
- Founders Pledge gGmbH, a registered non-profit limited liability company in Germany

As Founders for Good Ltd has overall control, these are consolidated on a line by line basis.

Governing document

Founders for Good Ltd is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

Founders For Good recognises that an effective board of trustees is essential if the charity is to be effective in achieving its objects. The board must seek to be representative of the people with whom the charity works and must have available to it all of the knowledge and skills required to run the charity. Individual trustees must have sufficient knowledge, both of trusteeship in general and of the Charity's activities, to enable them to carry out their role and to represent the Charity at meetings and other events.

Individuals who appear suitable candidates will be invited to attend individual meetings with existing trustees and will receive further information regarding the role of being a trustee.

If, following this meeting, at least two trustees wish to proceed the candidate will need to be approved by a two-thirds vote of existing trustees/board directors. New board members are inducted via sharing a data-pack of relevant reading materials, after which a series of meetings are scheduled with CEO, COO and other key employees for briefing and Q&A.

Decision making

The Trustees focus on strategy, performance and assurance and delegate operational matters to the CEO and staff of Founders Pledge. Specific Trustee duties and delegations are set out in the Founders For Good Ltd Trustee Duties and Delegations framework. Trustees approve budgets, policies, remuneration proposals for the Chief Executive Officer and other senior management staff. All grants are reviewed by the board and approvals are conducted by the Trustees or by senior staff according to the Founders Pledge Grant Approvals Delegation framework. The Founders Pledge Signatory and Approvals Matrix document outlines where Trustees delegate approvals and signatory authority to staff members and at which thresholds. Staff proactively bring any decisions which incur medium to high level of risk to the Trustees for

their oversight, and the Trustees regularly review the Founders Pledge risk register and make recommendations. The Founders Pledge Audit and Risk Committee also make recommendations to the Trustees to inform their decision making.

Pay policy for key management personnel

The trustees consider and assess pay levels for all staff taking into account market conditions as well as individual roles and responsibilities. The pay of the key management personnel is reviewed annually by the Trustees to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

OBJECTIVES AND ACTIVITIES

Objectives and aims for the public benefit

The objects of the Charity are:

- to support the charitable sector by promoting and improving the efficiency and effectiveness of methods used to secure charitable resources, in particular (but not exclusively) by raising awareness among individuals involved in the digital business community;
- to advance the education of individuals and organisations working in technology, digital media and other digital industries as to the ways in which their business knowledge and experience could be used to improve the effectiveness of charities, in particular but not exclusively by:
 - the provision of training; and
 - the provision of educational programmes
- to further such purpose or purposes which are exclusively charitable according to the law of England and Wales in such manner as the Trustees in their absolute discretion think fit.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant-making policy for the year.

The Charity carries out these objects through its charitable activities by:

- Running in person and virtual events for our members, which had 84 in person attendees and around 700 remote attendees during the year. We hope to continue to engage with our members more regularly in person as the COVID-19 pandemic permits, and successfully convened 42 attendees for a retreat, our first large scale in person event since the start of the pandemic, in September of 2021. We have continued to provide a virtual programme of events in 2021, and plan to do so in 2022. We will continue to test novel ways to bring out members together to create intentional and impactful experiences.

- Making a significant number of grants: as at December 31 2021, we and our members had made 1,747 grants, of which 45% were made in 2021. All time, we have moved \$40.0M to more than 70 high impact charities.
- Maintaining our ambition to grow our community of members and increase the pledge value of commitments.
- Continuing to expand our research expertise and publishing a number of reports, on topics ranging from Climate Change to Great Power Conflict, which are available online.

As at 31 December 2021, our members have committed circa \$7.2bn to the charitable sector by signing a pledge with Founders for Good Ltd or Founders Pledge Inc.

Statement of Trustees Responsibilities

The Trustees (who are also directors of Founders for Good Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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 charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's articles of association. 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.

Disclosure of Information to Auditors

The Trustees reappointed Crowe U.K. LLP as their auditors for this accounting period. Insofar as each of the Trustees of the charity at the date of approval of this report is aware, there is no

relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the group's auditor is aware of that information.

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and Crowe U.K. LLP will therefore continue in office.

This report, was approved by the Trustees, in their capacity as company directors, on 17 August 2022 and signed on their behalf by:



08 / 22 / 2022

Vikrant Bhargava
Chair of Trustees

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS FOR GOOD LTD

Opinion

We have audited the financial statements of Founders for Good Ltd ('the charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2021 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's 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 or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS FOR GOOD LTD (CONTINUED)

Other information

The Trustees are responsible for the other information contained within the Annual Report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Director's Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS FOR GOOD LTD (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 15, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019 and the Internal Revenue Service for compliance with local tax regulations in the United States of America. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

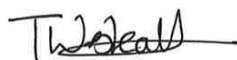
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS FOR GOOD LTD (CONTINUED)

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of donation income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, designing audit procedures over donation income and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Tara Westcott (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Fourth Floor

St James House
St James Square
Cheltenham
GL50 3PR

Date: 30 August 2022

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations	4	5,870,756	35,860,036	41,730,792	19,291,019
Other trading activities	5	38,239	-	38,239	469,976
Investments	6	454	-	454	3,371
Total income		5,909,449	35,860,036	41,769,485	19,764,366
Expenditure on:					
Raising funds	7	31,713	-	31,713	41,836
Charitable activities	8	3,626,146	31,979,692	35,605,838	9,800,592
Total expenditure		3,657,859	31,979,692	35,637,551	9,842,428
Net gains on investments		-	6,251	6,251	3,474
Net income		2,251,590	3,886,595	6,138,185	9,925,412
Transfers between funds	18	678,159	(678,159)	-	-
Foreign exchange losses		(34,140)	-	(34,140)	(386,465)
Net movement in funds		2,895,609	3,208,436	6,104,045	9,538,947
Reconciliation of funds:					
Total funds brought forward		5,378,997	14,547,998	19,926,995	10,388,048
Net movement in funds		2,895,609	3,208,436	6,104,045	9,538,947
Total funds carried forward		8,274,606	17,756,434	26,031,040	19,926,995

The notes on pages 25 to 44 form part of these financial statements.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08565148

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	20,136	33,772
Investments	14	-	193,250
		<u>20,136</u>	<u>227,022</u>
Current assets			
Debtors	15	1,030,487	639,361
Cash at bank and in hand	21	25,209,316	19,250,563
		<u>26,239,803</u>	<u>19,889,924</u>
Creditors: amounts falling due within one year	16	(228,899)	(189,951)
Net current assets		<u>26,010,904</u>	<u>19,699,973</u>
Net assets		<u><u>26,031,040</u></u>	<u><u>19,926,995</u></u>
Charity funds			
Restricted funds	18	17,756,434	14,547,998
Unrestricted funds	18	8,274,606	5,378,997
Total funds		<u><u>26,031,040</u></u>	<u><u>19,926,995</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Date: 08 / 22 / 2022



Vikrant Bhargava, Chair of Trustees

The notes on pages 25 - 44 form part of these financial statements.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08565148

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	12,172	21,251
Current assets			
Debtors	15	641,232	436,235
Cash at bank and in hand	21	14,109,851	11,032,695
		<u>14,751,083</u>	<u>11,468,930</u>
Creditors: amounts falling due within one year	16	(273,848)	(123,755)
Net current assets		<u>14,477,235</u>	<u>11,345,175</u>
Net assets		<u><u>14,489,407</u></u>	<u><u>11,366,426</u></u>
Charity funds			
Restricted funds	18	11,566,779	8,771,604
Unrestricted funds	18	2,922,628	2,594,822
Total funds		<u><u>14,489,407</u></u>	<u><u>11,366,426</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Date: 08 / 22 / 2022



Vikrant Bhargava, Chair of Trustees

The notes on pages 25 - 44 form part of these financial statements.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	20	5,755,632	8,708,678
Cash flows from investing activities			
Dividends and interest from investments		454	3,371
Purchase of tangible fixed assets		(13,014)	(5,900)
Proceeds from sale of investments		1,075,316	149,532
Purchase of investments		(859,706)	(189,776)
Net cash provided by/(used in) investing activities		203,050	(42,773)
Change in cash and cash equivalents in the year		5,958,682	8,665,905
Cash and cash equivalents at the beginning of the year		19,250,634	10,584,729
Cash and cash equivalents at the end of the year	21	25,209,316	19,250,634

The notes on pages 25 - 44 form part of these financial statements

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Founders for Good Ltd is a charitable company, limited by guarantee, domiciled in England and Wales, company registration number 08565148 and charity registered number 1162201. The registered office is Office 2.19, Runway East London Bridge, 20 Thomas Street, London, SE1 9RS.

The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Founders for Good Ltd meets the definition of a public benefit entity under FRS 102.

The financial statements consolidate the accounts of Founders for Good Ltd and its subsidiary undertakings. The subsidiary charities, Founder Pledge Inc. and Founders Pledge GmbH have been included in the consolidation as Founders for Good Ltd is deemed to have control as they are able to appoint the Trustees of the charities. The results of the subsidiaries have been consolidated on a line by line basis.

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

2.2 Going concern

Throughout the pandemic, the management team have been modeling different future scenarios and determining contingency plans. The Trustees recognise that as the scenarios change, decisions may need to be made in relation to the scale of the Charity's activities and the staffing levels required to support them. In 2021, Founders Pledge continued to fundraise and anticipate sustaining careful growth in operations during 2022. The cash position of the organisation is being closely monitored by management on a monthly basis and quick action will be taken if there are indications of reduced reserve levels. As a result the accounts have been prepared on a going concern basis being at least 12 months from the date of approval of these financial statements.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Income

All income is recognised once the group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT where applicable. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of raising funds relates to activities that are intended to generate income.

Expenditure on charitable activities is allocated to the relevant charitable activities on a basis consistent with resources used against the strategic plan.

Governance costs relate to the governance of the group apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

2.6 Taxation

As a charity the group is exempt from UK corporation tax to the extent that its income is applied to its charitable objects.

2.7 Tangible fixed assets and depreciation

All items with a value over £1,000 are reviewed to identify if they are of a capital nature. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value on a straight line basis over their estimated useful lives.

Depreciation is provided on the following basis:

Office equipment	-	25%
Computer equipment	-	33%

Where any assets are impaired in value, provisions are made to reduce the book value on such assets to the recoverable amount.

2.8 Investments

Fixed asset investments are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

2.9 Financial instruments

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.11 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are donor funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Patient Philanthropy Fund (PPF) was set up during the financial year, this is not a separate legal entity and included within the charity's own results. This is a restricted fund and is treated as a special trust.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Income recognition

In applying the group's policy for income recognition the Trustees are required to consider the group's entitlement to the receipt of the income based on the terms of the 'pledge'. The applied accounting treatment is that of receipts, given the uncertainty of whether the funds would be received through Founders Pledge or whether the 'pledge' funds would be directed through a private foundation or other charity.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. Income from donations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Acquisition of Founders Pledge GmbH	-	-	-	411,548
Donations	5,870,756	35,860,036	41,730,792	18,879,471
Total 2021	<u>5,870,756</u>	<u>35,860,036</u>	<u>41,730,792</u>	<u>19,291,019</u>
<i>Total 2020</i>	<u>5,946,396</u>	<u>13,344,623</u>	<u>19,291,019</u>	

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fundraising event	10,435	10,435	260,153
PPP loan forgiven	-	-	154,218
CJRS grant	-	-	38,622
Deposit refund	-	-	16,983
DAF Fees	27,804	27,804	-
	<u>38,239</u>	<u>38,239</u>	<u>469,976</u>
<i>Total 2020</i>	<u>469,976</u>	<u>469,976</u>	

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Bank interest	228	228	3,371
Dividend Income	226	226	-
	<u>454</u>	<u>454</u>	<u>3,371</u>
<i>Total 2020</i>	<u>3,371</u>	<u>3,371</u>	

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Website	17,298	17,298	29,974
Travel and subsistence	4,759	4,759	11,145
Advertising	9,656	9,656	717
Total 2021	<u>31,713</u>	<u>31,713</u>	<u>41,836</u>
<i>Total 2020</i>	<u>41,836</u>	<u>41,836</u>	

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Charitable activities	3,626,146	31,979,692	35,605,838	9,800,592
<i>Total 2020</i>	<u>3,559,223</u>	<u>6,241,369</u>	<u>9,800,592</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Charitable activities	222,724	31,979,692	3,403,422	35,605,838	9,800,592
<i>Total 2020</i>	<u>139,415</u>	<u>6,241,369</u>	<u>3,419,808</u>	<u>9,800,592</u>	

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Direct activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	2,624,582	2,624,582	2,758,628
Depreciation	26,593	26,593	25,420
Events costs	2,665	2,665	620
Freelance fees	18,199	18,199	58,727
Consultancy fees	10,654	10,654	-
IT costs	75,914	75,914	77,525
Staff training	3,657	3,657	108,660
Recruitment	13,574	13,574	2,079
Other staff costs	135,335	135,335	118,269
Support travel costs	592	592	-
Foreign exchange loss	143,985	143,985	31,500
Audit and accountancy	36,162	36,162	11,639
Bank charges	18,546	18,546	6,290
Telephone and internet	2,918	2,918	2,560
Legal expenses	143,453	143,453	37,088
General office expenses	54,901	54,901	11,293
Property rent and other costs	63,721	63,721	139,225
Other costs	(1,329)	(1,329)	5,593
Governance costs	29,300	29,300	24,692
	<u>3,403,422</u>	<u>3,403,422</u>	<u>3,419,808</u>

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Analysis of grants

	Grants to Institutions 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Grants	31,979,692	31,979,692	6,241,369
<i>Total 2020</i>	<i>6,241,369</i>	<i>6,241,369</i>	

The Group has made the following material grants to institutions during the year:

	2021 £	2020 £
Name of institution		
Action for Happiness	735,000	-
Berkeley Existential Risk Initiative	1,160,244	-
Center for Applied Rationality	1,949,733	-
Center for Human-Compatible AI (CHAI)	1,426,761	-
Centre for Effective Altruism (CEA)	2,691,242	-
Centre for Long-Term Resilience / Alpenglow	1,432,645	-
Clean Air Task Force (CATF)	971,517	-
M33	1,031,923	-
Ocean Conservancy Inc	872,364	-
Redwood Research	966,870	-
Surgo Ventures UK	750,000	-
Teaching at the Right Level (TaRL) Africa	951,784	-
TerraPraxis	1,675,335	-
Climate Fund	2,994,467	-
Climate Change Fund	1,020,693	-
Impact Challenge	726,970	-
Machine Intelligence Research Institute	-	686,199
Charity Global UK Ltd	-	386,112
Bandhan	-	374,458
Grants less than £645,000	10,622,144	4,794,600
	31,979,692	6,241,369

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Auditor's remuneration

	2021	<i>2020</i>
	£	£
Fees payable for the audit of the consolidated group accounts	16,550	15,500
Fees payable to the group's auditor in respect of:		
Audit of the US subsidiary	9,195	11,200
All non-audit services not included above	3,576	2,200
	<u><u> </u></u>	<u><u> </u></u>

12. Staff costs

	Group	<i>Group</i>	Company	<i>Company</i>
	2021	<i>2020</i>	2021	<i>2020</i>
	£	£	£	£
Wages and salaries	2,309,363	2,440,507	1,635,757	1,602,948
Social security costs	271,064	257,160	191,672	185,931
Contribution to defined contribution pension schemes	44,155	60,961	32,673	36,083
	<u><u>2,624,582</u></u>	<u><u>2,758,628</u></u>	<u><u>1,860,102</u></u>	<u><u>1,824,962</u></u>

The average number of persons employed by the Company during the year was as follows:

	Group	<i>Group</i>
	2021	<i>2020</i>
	No.	No.
Employees	29	48
Directors	11	6
	<u><u>40</u></u>	<u><u>54</u></u>

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	<i>Group 2020 No.</i>
In the band £60,001 - £70,000	4	8
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	-	2
In the band £90,001 - £100,000	2	1
In the band £110,001 - £120,000	1	-
In the band £120,001 - £130,000	1	1
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	1	-

Total remuneration in respect of key management personnel was £1,155,474 (2020: £647,015).

Termination payments totalling £nil (2020: £67,021) were made during the year, and no balances remain outstanding at year end.

During the year ended 31 December 2021, no Trustee received remuneration (2020: £nil) and no Trustee expenses have been incurred (2020: £nil).

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Tangible fixed assets

Group

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2021	20,873	73,413	94,286
Additions	-	13,014	13,014
At 31 December 2021	<u>20,873</u>	<u>86,427</u>	<u>107,300</u>
Depreciation			
At 1 January 2021	14,929	45,585	60,514
Charge for the year	4,498	22,152	26,650
At 31 December 2021	<u>19,427</u>	<u>67,737</u>	<u>87,164</u>
Net book value			
At 31 December 2021	<u>1,446</u>	<u>18,690</u>	<u>20,136</u>
At 31 December 2020	<u>5,944</u>	<u>27,828</u>	<u>33,772</u>

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Tangible fixed assets (continued)

Company

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2021	20,873	56,173	77,046
Additions	-	13,014	13,014
At 31 December 2021	20,873	69,187	90,060
Depreciation			
At 1 January 2021	14,929	40,866	55,795
Charge for the year	4,498	17,595	22,093
At 31 December 2021	19,427	58,461	77,888
Net book value			
At 31 December 2021	1,446	10,726	12,172
At 31 December 2020	5,944	15,307	21,251

14. Fixed asset investments

Group

	Listed investments £
At 1 January 2021	193,250
Additions	859,706
Disposals	(1,075,316)
Revaluations	6,251
Foreign exchange movement	16,109
At 31 December 2021	-

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade debtors	37,810	-	35,000	-
Amounts owed by subsidiaries	-	-	18,432	18,432
Other debtors	8,521	12,899	6,593	11,177
Prepayments and accrued income	984,156	626,462	581,207	406,626
	<u>1,030,487</u>	<u>639,361</u>	<u>641,232</u>	<u>436,235</u>

16. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	572	11,175	322	11,175
Amounts owed to subsidiaries	-	-	73,254	-
Other taxation and social security	52,900	68,606	52,900	68,606
Other creditors	9,799	8,932	9,799	8,772
Accruals and deferred income	165,628	101,238	137,573	35,202
	<u>228,899</u>	<u>189,951</u>	<u>273,848</u>	<u>123,755</u>

Deferred income relates to a consultancy contract.

17. Financial instruments

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Financial assets				
Financial assets measured at fair value through income and expenditure	-	193,250	-	193,250

Financial assets measured at fair value through income and expenditure comprise listed investments.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
General Funds - all funds	5,378,997	5,909,449	(3,657,859)	678,159	(34,140)	8,274,606
Restricted funds						
Pledge fulfilment fund	14,547,998	35,860,036	(31,979,692)	(678,159)	6,251	17,756,434
Total of funds	19,926,995	41,769,485	(35,637,551)	-	(27,889)	26,031,040

Restricted funds

Pledge fulfilment fund represents pledges received from members where due diligence on a potential recipient has not been completed.

The Patient Philanthropy Fund (PPF) The Fund was launched as a special trust within Founders For Good Ltd in October 2021. The PPF is an FP-incubated grant-making vehicle which invests to give for maximum long-term impact.

The PPF takes a patient approach to philanthropy: it invests contributions until the time is optimal for it to make large grants aimed at improving the long-term future. This means that - in addition to identifying the highest-impact giving opportunities at any particular point in time - it aims to identify the point in time when the highest-impact opportunities are available, which may be years, decades, or even centuries ahead.

In accordance with its long-term strategy and purpose (and Charity Commission guidance). FFG is the sole trustee of the PPF. It has appointed and devolved all management responsibilities to a Management Committee (MC) consisting of purpose-aligned experts on timing of giving

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

18. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2020 £</i>
Unrestricted funds					
General Funds	<u>2,946,778</u>	<u>6,419,743</u>	<u>(3,601,059)</u>	<u>(386,465)</u>	<u>5,378,997</u>
Restricted funds					
Pledge fulfilment fund	<u>7,441,270</u>	<u>13,344,623</u>	<u>(6,241,369)</u>	<u>3,474</u>	<u>14,547,998</u>
Total of funds	<u><u>10,388,048</u></u>	<u><u>19,764,366</u></u>	<u><u>(9,842,428)</u></u>	<u><u>(382,991)</u></u>	<u><u>19,926,995</u></u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	20,136	-	20,136
Current assets	8,483,369	17,756,434	26,239,803
Creditors due within one year	(228,899)	-	(228,899)
Total	<u><u>8,274,606</u></u>	<u><u>17,756,434</u></u>	<u><u>26,031,040</u></u>

FOUNDERS FOR GOOD LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	33,772	-	33,772
Fixed asset investments	-	193,250	193,250
Current assets	5,535,176	14,354,748	19,889,924
Creditors due within one year	(189,951)	-	(189,951)
Total	<u>5,378,997</u>	<u>14,547,998</u>	<u>19,926,995</u>

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	<i>Group 2020 £</i>
Net income for the year (as per Statement of Financial Activities)	<u>6,138,185</u>	<u>9,925,412</u>
Adjustments for:		
Depreciation charges	26,650	25,420
Loss/(Gains) on investments	6,251	(3,474)
Dividends and interest from investments	(454)	(3,371)
(Increase)/decrease in debtors	(391,126)	(470,084)
Increase/(decrease) in creditors	38,497	(378,760)
Foreign exchange losses	(62,821)	(386,465)
Net cash provided by operating activities	<u>5,755,182</u>	<u>8,708,678</u>

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

21. Analysis of cash and cash equivalents

	Group 2021 £	<i>Group 2020 £</i>
Cash in hand	25,209,316	19,250,634
Total cash and cash equivalents	25,209,316	19,250,634

22. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	19,250,563	5,958,753	25,209,316
	19,250,563	5,958,753	25,209,316

23. Operating lease commitments

At 31 December 2021 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Not later than 1 year	-	8,000	-	8,000

The following lease payments have been recognised as an expense in the Statement of Financial Activities in relation to the above operating leases:

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Operating lease rentals	-	96,000	-	96,000

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

24. Related party transactions

During the year ended 31 December 2021, donations and contributions totalling £1,153,591 (2020: £1,039,068) were received from Trustees and key management personnel (and their immediate relatives).

A Trustee, N Hutchinson, has a minority stake in Kokoba Ltd and Forward Internet Holdings Ltd, from whom Founders for Good Ltd rented office space during the prior year totalling £96,000. No balances were outstanding at year end (2020: £Nil).

During the year, grants were made to Founders Pledge gGmbH totalling £86,145 (2020: £111,657). This was a related party through the CEO of Founders for Good Ltd who held a majority stake in the entity before donating to the group. No transactions have been made since acquisition and no balances were outstanding at year end.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

25. Subsidiaries

Founders Pledge Inc.

The above charity is registered at 228 Park Ave S, PMB 71081, New York, New York 10003 in the United States of America, and is consolidated as control exists through the ability of Founders for Good Ltd to appoint Trustees to the Board.

The financial results for the year translated to GBP (£) were:

	2021	2020
Income	21,401,629	8,513,069
Expenditure	19,322,300	3,865,703
Investment gains	6,252	3,474
Profit	2,079,328	4,650,840
Net assets	10,082,362	8,385,831

Amounts owed to Founders Pledge Inc. are included as a debtor in these accounts were £17,422 (2020: £18,432).

Founders Pledge gGmbH

The above charity is registered at Friedrichstr, 206, c/o e.ventures, 10969 Berlin, Germany, and was acquired on 4 December 2020. The entity was donated to the group by the sole shareholder for no cost and therefore is consolidated on the basis of ownership.

During the year a grant of £86,145 was awarded to Founders Pledge gGmbH from Founders for Good Ltd.

The financial results for the year translated to GBP (£) were:

	2021	2020
Income	2,356,345	158,987
Expenditure	1,526,528	8,661
Profit	829,816	145,988
Net assets	1,387,351	557,536

Amounts owed from Founders Pledge gGmbH are included as a creditor in these accounts were £74,840 (2020: £0).

For both subsidiaries, the foreign exchange differences on consolidation are shown in the consolidated SOFA beneath the net income for the year.

Founders Pledge Ltd

England & Wales - Charity number 1162201

Accounts

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

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FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees

D C Bonas
J P P Goodwin (resigned 23 April 2020)
N D Hutchinson
P D Kimmelman
R J Reed (resigned 23 April 2020)
A M Semboglou (resigned 23 April 2020)
V Bhargava (appointed 23 April 2020)
R I Chapman (appointed 23 April 2020)
L H L Ding (appointed 23 April 2020)

Company registered number

08565148

Charity registered number

1162201

Registered office

Office 2.19
Runway East London Bridge
20 Thomas Street
London
SE1 9RS

Chief executive officer

David Goldberg

Independent auditor

Crowe U.K. LLP
Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Bankers

Silicon Valley Bank
14-18 Finsbury Square
London
EC2A 1BR

Metro Bank
1 Southampton Row
Holborn
London
WC1B 5HA

Pictet & Cie (Europe) S.A.
Stratton House, 6th Floor
5 Stratton St
London
W1J 8LA

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Legal Advisor	Cooley UK LLP 69 Old Broad Street London EC2M 1QS
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Legal Advisor	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT
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FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements for the year 1 January 2020 to 31 December 2020. The Trustees confirm that the Annual Report and financial statements of the group comply with the current statutory requirements, the requirements of the group's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims for the public benefit

The objects of the group are:

- to support the charitable sector by promoting and improving the efficiency and effectiveness of methods used to secure charitable resources, in particular (but not exclusively) by raising awareness among individuals involved in the digital business community;
- to advance the education of individuals and organisations working in technology, digital media and other digital industries as to the ways in which their business knowledge and experience could be used to improve the effectiveness of charities, in particular but not exclusively by the provision of educational programmes.
- to further such purpose or purposes which are exclusively charitable according to the law of England and Wales in such manner as the Trustees in their absolute discretion think fit.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the group's aims and objectives and in planning future activities and setting the grant-making policy for the year.

The group carries out these objects through its charitable activities by:

- Running in person and virtual events for our members, which had 155 in person attendees and 425 remote attendees during the year. We hope to continue to engage with our members over dinners once the COVID-19 pandemic permits but also successfully tested a retreat format to bring our members together to create a meaningful experience for 40 members, and introduced virtual, inherently scalable interactions in 2020. We will continue to test novel ways to bring out members together to create intentional and impactful experiences.
- Making a significant number of grants: all-time we have made over 830 grants of which 50% were made in 2020 and we have moved more than \$13.5m to 53 high-impact charities.
- Maintaining our ambition to grow our community of members and increase the pledge value of commitments. We have continued to expand our research expertise and have published a number of reports, on topics ranging from Animal Welfare to Investing to Give, and which are available online.

As at 31 December 2020, our members have committed circa \$3.5bn/£2.5bn to the charitable sector by signing a pledge with Founders for Good Ltd or Founders Pledge Inc.

Grant-making policy

All grants are recommended by the Deployment Team for approval by either the Trustees or those with authority to approve on their behalf. The Deployment Team conducts due diligence on the potential recipient and as part of the approval process it is ensured that any grants made are aligned with Founders Pledge's Charitable Purposes.

FOUNDERS FOR GOOD LTD
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The group is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Structure

Founders for Good is the sole member of Founders Pledge Inc, and Founders Pledge GmbH is a wholly owned subsidiary of Founders for Good. Founders Pledge Inc is a charity registered in the United States of America and is wholly owned by Founders for Good Limited. Founders Pledge GmbH is a charity registered in Germany and was acquired on the 4 December 2020. Full details are disclosed in note 25 of the financial statements.

Recruitment and appointment of new trustees

Founders for Good recognises that an effective board of Trustees is essential if the group is to be effective in achieving its objects. The board must seek to be representative of the people with whom the group works and must have available to it all of the knowledge and skills required to run the group. Individual Trustees must have sufficient knowledge, both of trusteeship in general and of the group's activities, to enable them to carry out their role and to represent the group at meetings and other events.

Individuals who appear suitable candidates will be invited to attend individual meetings with existing Trustees and will receive further information regarding the role of being a Trustee. If, following this meeting, at least two Trustees wish to proceed the candidate will need to be approved by a two-thirds vote of existing Trustees/board directors.

Decision making

The Trustees focus on strategy, performance and assurance and delegate operational matters to the CEO and staff of Founders Pledge. Specific Trustee duties and delegations are set out in the Founders for Good Ltd Trustee Duties and Delegations framework. Trustees approve budgets, policies, remuneration proposals for the Chief Executive Officer and other senior management staff. All grants are reviewed by the board and approvals are conducted by the Trustees or by senior staff according to the Founders Pledge Grant Approvals Delegation framework. The Founders Pledge Signatory and Approvals Matrix document outlines where Trustees delegate approvals and signatory authority to staff members and at which thresholds. Staff proactively bring any decisions which incur medium to high level of risk to the Trustees for their oversight, and the Trustees regularly review the Founders Pledge risk register and make recommendations. The Founders Pledge Audit and Risk Committee also make recommendations to the Trustees to inform their decision making.

Pay policy for key management personnel

The Trustees consider and assess pay levels for all staff taking into account market conditions as well as individual roles and responsibilities. The pay of the key management personnel is reviewed annually by the Trustees to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

STRATEGIC REPORT

FUTURE PERFORMANCE AND RISKS

Factors likely to affect future financial performance

Overall, Founders for Good Ltd mainly relies on both grant and individual funding to support its operations. The performance of the organisation, however, is measured both in how much money we can secure in committed pledge funds, as well as how many grants we make. The main factors in securing pledge commitments are: trust in Founders for Good Ltd by the public and potential members, our ability to provide tax relief to donors, the professionalism with which we can maintain our relationships with our members, and the ability of the team to meet with founders at our own events as well as external events. The main factors in maintaining donor support for our operations are: the effectiveness of the grants we make, our ability to report that the donors' money isn't better spent elsewhere, and our ability to influence the money our members donate for grants.

FOUNDERS FOR GOOD LTD
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Principal funding sources

Our principal funding sources are pledge fulfilment and donations.

Founders Pledge ended 2020 in a strong financial position with unrestricted cash reserves for OPEX of £5,332,300 which would cover an estimated 14 months of operation. Principal sources of funding include member donors, and non-member donors who comprise individuals, foundations and corporates.

The Trustees approved cost reduction measures as a result of the emergence of Covid 19 to hedge against uncertainty of future fundraising success. These actions resulted in a reduction in staff cost of c.22% and non-staff cost of c.50%. In practice the group was able to continue operations almost uninterrupted and potential fundraising limitations did not materialise.

Principal risks and uncertainties

The Trustees have considered the key risks of the group and continuously evaluate and manage the most significant risks, including reputational and organisational. During 2019 Founders Pledge established a risk register process in which potential risks are evaluated according to a consistent framework and policy, and risk events that have occurred are logged and reviewed. This process was further embedded during 2020.

This Risk register is updated quarterly with any risk events that have occurred and reassessments of potential risks. These are presented to the Audit and Risk Committee, and then to the board along with any recommendations from the Audit and Risk Committee.

A key risk that was addressed in 2020 was to ensure complete registrations for fundraising in all jurisdictions, to safeguard Founders Pledge from any current or future omissions of compliance. An efficient process has been implemented to ensure ongoing mitigation of this risk.

Following the advent of the COVID-19 pandemic a key risk was identified related to employee health and safety. Steps were taken to mitigate the risks for employees working from home or returning to the office, with consideration given to employees' individual needs.

Of the potential risks identified for Founders Pledge and tracked in the risk register, 'fundraising capability to meet the ongoing OPEX needs of the organisation' has the highest inherent risk rating. The Trustees review current and predicted fundraising success and pipeline every board meeting, and contribute to both fundraising strategy and potential new donor identification.

The Trustees have considered the key risks of the group and continuously evaluate and manage the most significant risks, including reputational and organisational. The Trustees have established clear policies and procedures to mitigate and manage such risks. The Trustees have due regard to retaining and recruiting Trustees with sufficient skill and expertise to manage and strategically evaluate the risks.

Reserves Policy

Formerly, our reserves policy was to have 12 months of cash at bank. Following the COVID-19 pandemic, the management team made the decision to increase the reserves target. As a result, from May 2020 Founders for Good Ltd set a stretch target of 15 months of cash at bank and 24 months of cash at bank plus committed funding. We held monthly financial reviews with a view to implementing further cost cutting measures if the reserves dipped below 12 months for any sustained period.

As At 31 December 2020, Founders Pledge total reserves were £19,926,995 of which £14,547,998 were restricted under trust law to specific funds. As at 31 December 2020, unrestricted reserves amounted to £5,378,997 which is mostly represented by cash at bank and would cover an estimated 14 months of operation.

In line with the Charity Commission definition, our general reserves stood at £5,345,225 which equates to our unrestricted funds excluding fixed assets.

FOUNDERS FOR GOOD LTD
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Plans for future periods

At 31 December 2020 we had secured committed funds that equated to a runway of 16 months. Our fundraising strategy centres around securing medium term commitments. Membership of the Foundry (major donors >\$250k) requires a 3 year commitment, and our programme of Sustaining Partners (members donating >\$50k) builds a larger pool of donors to cultivate towards ongoing and larger donations. While funding has yet to be secured for this entire duration, discussion of increased and continued donations from our major donors is in progress.

The Trustees and senior management team have been monitoring the current and potential ongoing impact of COVID-19 both directly on the group's activities and indirectly in its areas of operations through reviewing changing UK and other government policy and advice, and through wider information gathering. The main considerations are as follows:

Operational

The Trustees and management continue to operate under a business protection plan which requires all staff to operate in line with government guidelines and work remotely wherever practicable with strict protocols for limited head office access. Communications and on-line collaboration tools are being used within the group that allow for efficient remote working and the group's IT facilities are adequate to maintain operations on this basis for the foreseeable future. Founders Pledge has created a business continuity plan to ensure continued smooth operations should an employee unfortunately fall sick. Almost all roles can function from home just as they would in the office. The Trustees and management are mindful of the differing pressures on individual members of staff, and also of the fact that these pressures change as the position nationally and locally develops. The Trustees and management expect that operational changes will continue to be required as the position develops and vaccines are rolled out. Plans are in place for a controlled return to head office, or alternate working locations where necessary, in line with government guidelines over the coming months.

Fundraising Pipeline

In 2021 we are continuing to invest in the Foundry and Sustaining Partners donor communities, and are building on the support of 2020 first time donors to ensure a renewing base of annual supporters. In particular, we are building on our member support by integrating fundraising messaging throughout our comms to members. We are also cultivating new donors who have actively been introduced to us rather than prospecting outside of our current network as a result of strong inbound interest. We are also continuing to diversify our funding base through new corporate and foundation partners where we find alignment to ensure the sustainability of our fundraising streams.

Going Concern

Due to the Covid-19 pandemic, Founders Pledge has adapted to a new normal. This was primarily in the form of cost cutting, whereby we reduced non-staff related operational spend by c.50% and staff headcount by 22%. This, and a strong push to bring in outstanding fundraising, has allowed us to secure a more comfortable reserve to mitigate the risk of a prolonged window of effects from the pandemic. The management team have been modelling different future scenarios and determining contingency plans in the context of the risk appetite determined by the Board. The Trustees recognise that as the scenarios change, decisions may need to be made in relation to the scale of the group's activities and the staffing levels required to support them. Throughout 2020 Founders Pledge were able to operate and fundraise successfully throughout the pandemic, and we anticipate sustaining careful growth in operations during 2021 and 2022. The cash position of the organisation is being closely monitored by management on a monthly basis and quick action will be taken if we find indications of reduced reserve levels. With current reserve levels, even the most pessimistic scenario shows that the organisation can continue to operate as a going concern.

The Trustees and management team are regularly monitoring the position to determine the right way forward as events unfold. As a result, Founders Pledge does not see any material uncertainty that affects the going concern of the organisation.

FOUNDERS FOR GOOD LTD
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Members

Throughout 2020 we saw a trend in our members increasing their resolve to help out and do good. Instead of abating as the COVID-19 pandemic progressed, this trend has thankfully continued. We have also trialled new technology-enabled ways of communicating with our members, enabling us to engage with a greater number of members on a regular basis, increasing the number of our members who we are able to meaningfully interact with. These will be further embedded and developed going forward.

Fundraising

The group recognised the provisions of the Charities (Protection and Social Investment) Act 2016. The group takes a responsible approach to its fundraising, ensuring pledgers and potential pledgers are treated with respect. The group has not used any commercial fundraising partners or outsourced its fundraising activity. No complaints were received in respect of fundraising. No funds are raised directly from members of the public. All funds are raised from high net worth individuals, foundations and corporates, many of whom are members of Founders Pledge. Donations requests are supported by data and evidence of the counterfactual impact created by Founders Pledge and no individual or organisation is placed under undue pressure to support the financial operations of the group.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of Founders for Good Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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 charitable company will continue in business.

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

This report, was approved by the Trustees, in their capacity as company directors and signed on their behalf by:



V Bhargava
Chair of Trustees

Date:

04 / 19 / 2021

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS FOR GOOD LTD

Opinion

We have audited the financial statements of Founders for Good Ltd ('the charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2020 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustee's 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 or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS FOR GOOD LTD (CONTINUED)

Other information

The Trustees are responsible for the other information contained within the Annual Report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Director's Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS FOR GOOD LTD (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019 and the Internal Revenue Service for compliance with local tax regulations in the United States of America. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

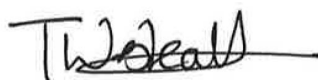
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS FOR GOOD LTD (CONTINUED)

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of donation income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, designing audit procedures over donation income and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Tara Westcott (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Carrick House

Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date: 17 June 2021

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations	4	5,946,396	13,344,623	19,291,019	12,996,728
Other trading activities	5	469,976	-	469,976	-
Investments	6	3,371	-	3,371	856
Total income		6,419,743	13,344,623	19,764,366	12,997,584
Expenditure on:					
Raising funds	7	41,836	-	41,836	141,273
Charitable activities	8	3,559,223	6,241,369	9,800,592	7,146,083
Total expenditure		3,601,059	6,241,369	9,842,428	7,287,356
Net gains on investments		-	3,474	3,474	16,807
Net income		2,818,684	7,106,728	9,925,412	5,727,035
Foreign exchange losses		(386,465)	-	(386,465)	(156,915)
Net movement in funds		2,432,219	7,106,728	9,538,947	5,570,120
Reconciliation of funds:					
Total funds brought forward		2,946,778	7,441,270	10,388,048	4,817,928
Net movement in funds		2,432,219	7,106,728	9,538,947	5,570,120
Total funds carried forward		5,378,997	14,547,998	19,926,995	10,388,048

The notes on pages 16 to 34 form part of these financial statements.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08565148

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	33,772	53,292
Investments	14	193,250	149,532
		<u>227,022</u>	<u>202,824</u>
Current assets			
Debtors	15	639,290	169,206
Cash at bank and in hand	21	19,250,634	10,584,729
		<u>19,889,924</u>	<u>10,753,935</u>
Creditors: amounts falling due within one year	16	(189,951)	(568,711)
Net current assets		<u>19,699,973</u>	<u>10,185,224</u>
Net assets		<u><u>19,926,995</u></u>	<u><u>10,388,048</u></u>
Charity funds			
Restricted funds	18	14,547,998	7,441,270
Unrestricted funds	18	5,378,997	2,946,778
Total funds		<u><u>19,926,995</u></u>	<u><u>10,388,048</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



V Bhargava
(Chair of Trustees)
Date: 04 / 19 / 2021

The notes on pages 16 to 34 form part of these financial statements.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08565148

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	21,251	41,182
Current assets			
Debtors	15	436,235	165,833
Cash at bank and in hand	21	11,032,695	6,966,473
		<u>11,468,930</u>	<u>7,132,306</u>
Creditors: amounts falling due within one year	16	(123,755)	(519,761)
Net current assets		<u>11,345,175</u>	<u>6,612,545</u>
Net assets		<u><u>11,366,426</u></u>	<u><u>6,653,727</u></u>
Charity funds			
Restricted funds	18	8,771,604	4,552,789
Unrestricted funds	18	2,594,822	2,100,938
Total funds		<u><u>11,366,426</u></u>	<u><u>6,653,727</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



V Bhargava
 (Chair of Trustees)
 Date: 04 / 19 / 2021

The notes on pages 16 to 34 form part of these financial statements.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	20	8,708,678	6,214,044
Cash flows from investing activities			
Dividends and interest from investments		3,371	856
Proceeds from the sale of tangible fixed assets		-	68
Purchase of tangible fixed assets		(5,900)	(44,987)
Proceeds from sale of investments		149,532	47,494
Purchase of investments		(189,776)	(132,725)
Net cash used in investing activities		(42,773)	(129,294)
Change in cash and cash equivalents in the year		8,665,905	6,084,750
Cash and cash equivalents at the beginning of the year		10,584,729	4,499,979
Cash and cash equivalents at the end of the year	21	19,250,634	10,584,729

The notes on pages 16 to 34 form part of these financial statements

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Founders for Good Ltd is a charitable company, limited by guarantee, domiciled in England and Wales, company registration number 08565148 and charity registered number 1162201. The registered office is Office 2.19, Runway East London Bridge, 20 Thomas Street, London, SE1 9RS.

The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Founders for Good Ltd meets the definition of a public benefit entity under FRS 102.

The financial statements consolidate the accounts of Founders for Good Ltd and its subsidiary undertakings. The subsidiary charities, Founder Pledge Inc. and Founders Pledge GmbH have been included in the consolidation as Founders for Good Ltd is deemed to have control as they are able to appoint the Trustees of the charities. The results of the subsidiaries have been consolidated on a line by line basis.

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

2.2 Going concern

Due to the COVID19 virus, the Trustees have undertaken planning and forecasting and continue to closely monitor the developing situation. The management team have been modelling different future scenarios and determining contingency plans in the context of the risk appetite determined by the Board. The cash position of the group is being closely monitored and costs are being re-forecasted based on an amended budget, which takes the cost-cutting into account. Despite the current circumstances the trustees believe that the group's financial resources and contingency planning is sufficient to ensure the ability of the group to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 Income

All income is recognised once the group has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT where applicable. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of raising funds relates to activities that are intended to generate income.

Expenditure on charitable activities is allocated to the relevant charitable activities on a basis consistent with resources used against the strategic plan.

Governance costs relate to the governance of the group apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

2.6 Taxation

As a charity the group is exempt from UK corporation tax to the extent that its income is applied to its charitable objects.

2.7 Tangible fixed assets and depreciation

All items with a value over £1,000 are reviewed to identify if they are of a capital nature. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value on a straight line basis over their estimated useful lives.

Depreciation is provided on the following basis:

Office equipment	-	25%
Computer equipment	-	33%

Where any assets are impaired in value, provisions are made to reduce the book value on such assets to the recoverable amount.

2.8 Investments

Fixed asset investments are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

2.9 Financial instruments

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.11 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Income recognition

In applying the group's policy for income recognition the Trustees are required to consider the group's entitlement to the receipt of the income based on the terms of the 'pledge'. The applied accounting treatment is that of receipts, given the uncertainty of whether the funds would be received through Founders Pledge or whether the 'pledge' funds would be directed through a private foundation or other charity.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

4. Income from donations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Acquisition of Founders Pledge GmbH	112,250	299,298	411,548	-
Donations	5,834,146	13,045,325	18,879,471	12,996,728
Total 2020	<u>5,946,396</u>	<u>13,344,623</u>	<u>19,291,019</u>	<u>12,996,728</u>
<i>Total 2019</i>	<u>3,991,062</u>	<u>9,005,666</u>	<u>12,996,728</u>	

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Fundraising event	66,938	66,938	-
PPP loan forgiven	154,218	154,218	-
CJRS grant	38,622	38,622	-
Consulting income	193,215	193,215	-
Deposit refund	16,983	16,983	-
	<u>469,976</u>	<u>469,976</u>	<u>-</u>

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	3,371	3,371	856
<i>Total 2019</i>	<u>856</u>	<u>856</u>	

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Website	29,974	29,974	5,498
Travel and subsistence	11,145	11,145	130,378
Advertising	717	717	5,397
Total 2020	<u>41,836</u>	<u>41,836</u>	<u>141,273</u>
<i>Total 2019</i>	<u>141,273</u>	<u>141,273</u>	

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Charitable activities	3,559,223	6,241,369	9,800,592	7,146,083
<i>Total 2019</i>	3,321,660	3,824,423	7,146,083	

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Charitable activities	139,415	6,241,369	3,419,808	9,800,592	7,146,083
<i>Total 2019</i>	197,426	3,824,423	3,124,234	7,146,083	

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Direct activities 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	2,758,628	2,758,628	2,334,123
Depreciation	25,420	25,420	23,337
Events costs	620	620	5,156
Freelance fees	58,727	58,727	55,654
Travel costs	-	-	6,051
IT costs	77,525	77,525	60,836
Staff training	108,660	108,660	71,726
Recruitment	2,079	2,079	46,469
Other staff costs	118,269	118,269	88,092
Foreign exchange gain	31,500	31,500	70,523
Audit and accountancy	11,639	11,639	28,587
Bank charges	6,290	6,290	5,487
Telephone and internet	2,560	2,560	8,007
Legal expenses	37,088	37,088	24,664
General office expenses	11,293	11,293	51,615
Property rent and other costs	139,225	139,225	190,447
HMRC	5,593	5,593	30,756
Governance costs	24,692	24,692	22,704
	<u>3,419,808</u>	<u>3,419,808</u>	<u>3,124,234</u>

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. Analysis of grants

	Grants to Institutions 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Grants	6,241,369	6,241,369	3,824,423
<i>Total 2019</i>	<u>3,824,423</u>	<u>3,824,423</u>	

The Group has made the following material grants to institutions during the year:

	2020 £	<i>2019 £</i>
Name of institution		
Open Lunar Foundation	-	1,514,039
Machine Intelligence Research Institute	686,199	-
Charity Global UK Ltd	386,112	-
Cisac	-	274,726
Bandhan	374,458	251,019
Other grants to institutions	4,794,600	1,784,639
	<u>6,241,369</u>	<u>3,824,423</u>

11. Auditor's remuneration

	2020 £	<i>2019 £</i>
Fees payable for the audit of the consolidated group accounts	15,500	15,200
Fees payable to the group's auditor in respect of:		
Audit of the US subsidiary	11,200	11,200
All non-audit services not included above	2,200	1,000
	<u>28,700</u>	<u>27,400</u>

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. Staff costs

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	2,440,507	2,016,308	1,602,948	1,394,322
Social security costs	257,160	214,767	185,931	164,592
Contribution to defined contribution pension schemes	60,961	103,048	36,083	84,885
	2,758,628	2,334,123	1,824,962	1,643,799

The average number of persons employed by the group during the year was as follows:

	Group 2020 No.	Group 2019 No.
Employees	48	27
Directors	6	8
	54	35

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2020 No.	Group 2019 No.
In the band £60,001 - £70,000	8	2
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	2	2
In the band £90,001 - £100,000	1	1
In the band £120,001 - £130,000	1	-
In the band £140,001 - £150,000	1	-

Total remuneration in respect of key management personnel was £647,015 (2019: £647,715).

Termination payments totalling £67,021 (2019: £nil) were made during the year, and no balances remain outstanding at year end. These were as a result of restructuring due to the Covid-19 pandemic.

During the year ended 31 December 2020, no Trustee received remuneration (2019: £nil) and no Trustee expenses have been incurred (2019: £nil).

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Tangible fixed assets

Group

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2020	19,653	68,733	88,386
Additions	1,220	4,680	5,900
At 31 December 2020	<u>20,873</u>	<u>73,413</u>	<u>94,286</u>
Depreciation			
At 1 January 2020	8,169	26,925	35,094
Charge for the year	6,760	18,660	25,420
At 31 December 2020	<u>14,929</u>	<u>45,585</u>	<u>60,514</u>
Net book value			
At 31 December 2020	<u>5,944</u>	<u>27,828</u>	<u>33,772</u>
<i>At 31 December 2019</i>	<u>11,484</u>	<u>41,808</u>	<u>53,292</u>

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

13. Tangible fixed assets (continued)

Company

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2020	19,653	54,745	74,398
Additions	1,220	1,428	2,648
At 31 December 2020	20,873	56,173	77,046
Depreciation			
At 1 January 2020	8,169	25,047	33,216
Charge for the year	6,760	15,819	22,579
At 31 December 2020	14,929	40,866	55,795
Net book value			
At 31 December 2020	5,944	15,307	21,251
At 31 December 2019	11,484	29,698	41,182

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

14. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 January 2020	149,532
Additions	189,776
Disposals	(149,532)
Revaluations	3,474
At 31 December 2020	193,250
Net book value	
At 31 December 2020	193,250
<i>At 31 December 2019</i>	<i>149,532</i>

15. Debtors

	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Amounts owed by group undertakings	-	-	18,432	<i>18,432</i>
Other debtors	12,828	<i>17,099</i>	11,177	<i>12,313</i>
Prepayments and accrued income	626,462	<i>152,107</i>	406,626	<i>135,088</i>
	639,290	<i>169,206</i>	436,235	<i>165,833</i>

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Other loans	-	8,082	-	8,082
Trade creditors	11,175	48,010	11,175	36,097
Other taxation and social security	68,606	85,208	68,606	85,208
Other creditors	8,932	21,868	8,772	15,290
Accruals and deferred income	101,238	405,543	35,202	375,084
	189,951	568,711	123,755	519,761
	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Deferred income at 1 January 2020	235,599	-	205,140	-
Resources deferred during the year	-	235,599	-	205,140
Amounts released from previous periods	(235,599)	-	(205,140)	-
	-	235,599	-	205,140

Deferred income relates to a consultancy contract and fundraising income.
Other creditors includes £9,749 (2019: £10,071) outstanding pension contributions.

17. Financial instruments

	Group 2020 £	Group 2019 £
Financial assets		
Financial assets measured at fair value through income and expenditure	193,250	149,532

Financial assets measured at fair value through income and expenditure comprise listed investments.

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18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
General Funds	2,946,778	6,419,743	(3,601,059)	(386,465)	5,378,997
Restricted funds					
Pledge fulfilment fund	7,441,270	13,344,623	(6,241,369)	3,474	14,547,998
Total of funds	10,388,048	19,764,366	(9,842,428)	(382,991)	19,926,995

Restricted funds

Pledge fulfilment fund represents pledges received from members where due diligence on a potential recipient has not been completed.

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18. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2019 £</i>
Unrestricted funds						
General Funds	2,444,708	3,991,918	(3,462,933)	130,000	(156,915)	2,946,778
Restricted funds						
Pledge fulfilment fund	2,130,333	9,005,666	(3,824,423)	112,887	16,807	7,441,270
Donor advised	100,000	-	-	(100,000)	-	-
Single donation	142,887	-	-	(142,887)	-	-
	2,373,220	9,005,666	(3,824,423)	(130,000)	16,807	7,441,270
Total of funds	4,817,928	12,997,584	(7,287,356)	-	(140,108)	10,388,048

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	33,772	-	33,772
Fixed asset investments	-	193,250	193,250
Current assets	5,535,176	14,354,748	19,889,924
Creditors due within one year	(189,951)	-	(189,951)
Total	5,378,997	14,547,998	19,926,995

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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	53,292	-	53,292
Fixed asset investments	-	149,532	149,532
Current assets	3,462,197	7,291,738	10,753,935
Creditors due within one year	(568,711)	-	(568,711)
Total	2,946,778	7,441,270	10,388,048

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Group 2019 £
Net income for the period (as per Statement of Financial Activities)	9,925,412	5,727,035
Adjustments for:		
Depreciation charges	25,420	23,337
(Gains) on investments	(3,474)	(16,807)
Dividends and interest from investments	(3,371)	(856)
(Increase)/decrease in debtors	(470,084)	152,777
(Decrease)/increase in creditors	(378,760)	485,473
Foreign exchange losses	(386,465)	(156,915)
Net cash provided by operating activities	8,708,678	6,214,044

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21. Analysis of cash and cash equivalents

	Group 2020 £	<i>Group 2019 £</i>
Cash in hand	19,250,634	<i>10,584,729</i>
Total cash and cash equivalents	19,250,634	<i>10,584,729</i>

22. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	Loan write off £	At 31 December 2020 £
Cash at bank and in hand	10,584,729	8,665,905	-	19,250,634
Debt due within 1 year	(8,082)	-	8,082	-
	10,576,647	8,665,905	8,082	19,250,634

23. Operating lease commitments

At 31 December 2020 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Not later than 1 year	8,000	<i>111,087</i>	8,000	<i>111,087</i>
Later than 1 year and not later than 5 years	-	<i>24,000</i>	-	<i>24,000</i>
	8,000	<i>135,087</i>	8,000	<i>135,087</i>

The following lease payments have been recognised as an expense in the Statement of Financial Activities in relation to the above operating leases:

	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Operating lease rentals	96,000	<i>32,000</i>	96,000	<i>32,000</i>

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24. Related party transactions

During the year ended 31 December 2020, donations and contributions totalling £1,039,068 (2019: £236,000) were received from Trustees and key management personnel (and their immediate relatives).

A Trustee during the year, J P P Goodwin (resigned 23 April 2020), is also a designated partner in Founders Forum LLP. In 2015 a loan of £8,082 was provided to the charity from Founders Forum LLP. During the year ended 31 December 2020, this balance was agreed to be written off (2019: £8,082 *outstanding*).

A Trustee, N Hutchinson, has a minority stake in Kokoba Ltd and Forward Internet Holdings Ltd, from whom Founders for Good Ltd rented office space during the year totalling £96,000 (2019: £32,000). No balances were outstanding at year end (2019: £Nil).

During the year and before acquisition, grants were made to Founders Pledge GmbH totalling £111,657 (2019: £Nil). This was a related party through the CEO of Founders for Good Ltd who held a majority stake in the entity before donating to the group. No transactions have been made since acquisition and no balances were outstanding at year end.

25. Subsidiaries

Founders Pledge Inc.

The above charity is registered in the United States of America, and is consolidated as control exists through the ability of Founders for Good Ltd to appoint Trustees to the Board.

The financial results for the year translated to GBP (£) were:

	2020	2019
Income	8,513,069	4,969,053
Expenditure	3,865,703	1,518,213
Investment gains	3,474	16,807
Profit	4,650,840	3,467,647
Net assets	8,385,831	3,734,991

The above charity is registered at 228 Park Ave S, PMB 71081, New York, New York 10003 in the United States of America.

Founders Pledge GmbH

The charity was acquired on 4 December 2020 via donation to the group by the sole shareholder for no cost and is consolidated on the basis of ownership. The net assets at acquisition are shown as a donation in Note 4. The financial results for the period since acquisition translated to GBP (£) were:

	2020
Income	158,987
Expenditure	8,661
Profit	145,988
Net assets	557,536

The above charity is registered at Friedrichstr, 206, c/o e.ventures, 10969 Berlin, Germany.

For both subsidiaries, the foreign exchange differences on consolidation are shown in the consolidated SOFA beneath the net income for the year.