

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', is positioned below the name of the Chair of Trustees.

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
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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)

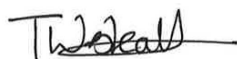
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS FOR GOOD LTD (CONTINUED)

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 £	<i>Total funds 2020 £</i>
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 £	<i>Total funds 2020 £</i>
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>	3,559,223	6,241,369	9,800,592	

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>	139,415	6,241,369	3,419,808	9,800,592	

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>	6,241,369	6,241,369	

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

	2021 £	<i>2020 £</i>
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	<u>20,873</u>	<u>69,187</u>	<u>90,060</u>
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	<u>19,427</u>	<u>58,461</u>	<u>77,888</u>
Net book value			
At 31 December 2021	<u>1,446</u>	<u>10,726</u>	<u>12,172</u>
At 31 December 2020	<u>5,944</u>	<u>15,307</u>	<u>21,251</u>

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	<u>-</u>

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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
	1,030,487	639,361	641,232	436,235

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
	228,899	189,951	273,848	123,755

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.

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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

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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	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	<u>10,388,048</u>	<u>19,764,366</u>	<u>(9,842,428)</u>	<u>(382,991)</u>	<u>19,926,995</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>8,274,606</u>	<u>17,756,434</u>	<u>26,031,040</u>

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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	5,378,997	14,547,998	19,926,995

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

	Group 2021 £	Group 2020 £
Net income for the year (as per Statement of Financial Activities)	6,138,185	9,925,412
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	5,755,182	8,708,678

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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

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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.

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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.