

**Bupa Foundation**  
**(Company registered number 9524970)**  
**(Registered Charity number 1162759)**  
**Report and financial statements**  
**Year ended 31 December 2021**

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**Officers and professional advisers**

**Trustees (Directors)**

A Cole (Chair)\*  
M Callister-Davies  
H Cliffe  
R Edmundson  
P Franklin  
S Pain  
C Richardson (Resigned 4th March 2022)  
A Spyropoulos  
T Hoosen – Webber  
S Moynihan (Appointed 14<sup>th</sup> July 2022)

\*Alexandra Cole served as Bupa Connected Trustee until 30 June 2021 when she left Bupa's employment. In June 2021 Ms Cole formally accepted the written invitation by the Charity to remain as Chair and trustee/director from 1 July 2021.

**Director of Bupa Foundation**

A Russell

**Registered office**

1 Angel Court  
London  
EC2R 7HJ

**Banker**

HSBC  
Client Management  
62-76 Park Street  
London SE1 9DZ

**Auditor**

Deloitte LLP  
Statutory Auditor  
1 City Square  
Leeds  
LS1 2AL  
United Kingdom

## **Trustees' report**

The Trustees of Bupa Foundation (the "Charity"), who are also Directors of the company for the purposes of the Companies Act 2006, present their annual report on the affairs of the Charity, including the Strategic Report, together with the financial statements and auditor's report for the year ending 31 December 2021.

## **Strategic report**

### **1. Introduction**

The Charity was incorporated in the UK on 2 April 2015 with the Registrar of Companies and registered with the Charity Commission on 21 July 2015. Since being established, the main focus of the Charity has been grant-making.

### **2. Objectives and activities**

#### **Objects and purpose**

The Charity's objects, as defined in its governing document, are to advance health or prevent or relieve suffering. The Charity does this by running and helping to fund practical projects that have a positive impact on people's wellbeing and mental health.

#### **Programmes and grant making**

Through its programmes the Charity aims to positively impact people's mental wellbeing by offering free and practical ways for people to stay well.

Through its grant-making, the Charity aims to fund practical projects that will make a direct impact on people's health and wellbeing, especially mental wellbeing and resilience.

The Charity develops close relationships with the organisations it works with and offers their employees free wellbeing workshops, harnessing the skills of British United Provident Association Limited ("Bupa") employees who volunteer their time where possible.

The Charity places great importance on impact. It does this by demonstrating who the programmes have impacted and the difference they make to people's lives. Impact reports are produced regularly by both the Charity and the organisations it works with.

In 2021 the Charity had four focus areas; flagship and managed programmes, local community grants and advocate for mental health and wellbeing. Summary details are as follows:

#### **Flagship programmes**

##### *Wellbeing for Educators*

The Charity continued its flagship Wellbeing for Educators programme which has now offered wellbeing sessions to over 4,500 people. The programme is run by the Charity which has supporting partnerships with Youth Sport Trust (via their Well Schools programme) and Leeds Beckett Carnegie School of Education to ensure maximum reach. A new partnership was also established with Teach First. In addition to offering wellbeing sessions to educators, the Charity also provides these sessions to many of the charities it works with.

#### **Managed programmes**

These programmes predominantly support young people's mental health through partnerships with charities to help maximise impact and reach. In 2021 the Charity's initiatives included:

##### *Mind partnership*

The Charity continued into the second year of its three year partnership with the mental health charity, Mind, to focus on young people's wellbeing. In 2021, the Charity continued its funding for young people's online mental health resources created by Mind. This included new resources on managing anger and self-harm prevention.

**Trustees' report (continued)**

*Career Ready partnership*

In 2021 the Charity expanded its support for the social mobility charity, Career Ready, to help them support young people and schools in opportunity cold spots in the North and North West England via mentoring, paid internships and career insights.

*Mental Health Sustainability Programme partnership*

The Charity continued its support for this programme run by the Association of Mental Health Providers. This included the continuation of skilled volunteering and a donation of £50,000 to provide grants to mental health helplines that reach support diverse communities of people who might not otherwise get the support they need.

*National Literacy Trust*

The Charity funded the National Literacy Trust's Words for Life Writing for Wellbeing online hub to support young people's mental health. As part of Words for Life, the Charity also supported the Elephant Family trail in Green Park and St James's Park in London.

*Single Homeless Project*

The Charity funded sessions run by the Single Homeless Project so that people who are affected by homelessness can engage in gardening and nature-based work to improve their wellbeing and learn new skills. Sessions took place in gardens and allotments in the London Boroughs of Lambeth, Lewisham, Wandsworth, Westminster, Camden, Islington, Waltham Forest and Redbridge.

**Local community grants**

The Charity continued to support the work of the seven Community Committees which are made up of Bupa employees who volunteer their time. Community Committees recommend local causes for grants which will help people improve their wellbeing. The work of the Community Committees particularly focuses on supporting vulnerable people who struggle with their mental health and who may have been affected by domestic violence, abuse, homelessness and poorer life chances. In addition to financial grants, Bupa employees also volunteer their time, provide in-kind donations and fundraise.

**Advocate for mental health and wellbeing**

The Charity continued its advocacy work on the importance of investing in and nurturing mental wellbeing both through its own communications channels and in partnership with others. This included support for relevant campaigns by partners including Mind, the National Literacy Trust, Career Ready and Teach First.

**Project Portfolio**

The Charity aims to offer up to two flagship programmes and associated partnerships, up to twenty managed programmes and funds between 50-100 projects with grant recipients at any one time. During the period relationships and funding with 82 organisations were confirmed. Details of all organisations who received grants are available on the Charity's website: [www.bupafoundation.org](http://www.bupafoundation.org).

**3. Achievements and Performance for Public Benefit**

During the year, the Charity paid out a total of £1,118,187 (2020: £1,658,210) in grants to 82 organisations (2020: 91), bringing the total level of funding awarded in grants, since the Charity was established in 2015, to just under £6m.

To ensure donations are used for their intended purpose, due diligence is undertaken before grants are awarded. Organisations receiving grants from the Charity are asked to report regularly on how the funds have been used and on the progress of their project. Grant recipients are asked to report in line with the Charity's Monitoring, Reporting and Evaluation Guidelines and these reporting expectations are stated in grant agreements / letters.

The Charity has also developed and documented controls to prevent financial crime and controls to ensure appropriate income recognition and application of funds.

The Trustees confirm that in carrying out the objectives of the Charity, due regard has been paid to the Public Benefit Guidance published by the Charity Commission.

**Trustees' report (continued)**

**4. Financial Review**

The level of the maximum guaranteed annual donation is agreed between the Charity and Bupa at the start of each year and is available for grant funding approved by the Trustees in the financial year. Once agreed, the funds are held by Bupa on behalf of Bupa Healthcare Services Limited on trust, for and on behalf of the Charity and then paid to the Charity's bank account upon request.

Total income during the year was £1,187,989 (2020: £2,066,496), comprising £980,667 (2020: £1,977,410) in donations, and £207,322 (2020: £89,086) in contributions of donated services in-kind. The costs of the charitable operations in 2021 amounted to £1,258,291 (2020: £1,955,492). These costs comprised of the agreement of the payment of grants to institutions in the sum of £984,417 (2020: £1,749,665), operational, administration and governance costs of £207,322 (2020: £89,086) and direct activity costs totalling £66,503 (2020: £116,741). The cost of other ad hoc support provided by Bupa is deemed not to be easily identifiable and is considered by the Trustees to be immaterial.

**5. Reserves Policy and Going Concern**

The Charity holds reserves to cover the amount required to fund approved grants in full. The level of reserves retained ensures that adequate funds are available to cover all future commitments and planned expenditure including any future expenditure which may not otherwise be covered by income. At the balance sheet date, the Charity remained in a strong liquid position with cash reserves totalling £290,733 (2020: £532,050). The level of unrestricted reserves, excluding designated funds, totalled £137,753 (2020: £208,055). This was available to cover the Charity's planned future expenditure.

The Charity is dependent upon receiving funding from Bupa, which is committed annually in advance of each accounting period. Grants awarded are only approved within the funds available under the Annual Grant Agreement or 2020 additional Healthy Communities Fund and are not committed beyond the level of confirmed funding.

The Charity is not reliant on fundraising or public donations and is solely funded by Bupa who have confirmed their funding commitments for 2022. This provides the Charity with a secure future for supporting the realisation of the intended charitable aims and objectives and committed future costs.

Trustees have considered budget plans and financial outlook in considering the sustainability of the Charity. The Trustees have secured 100% of the donation income for the year 2022 upon signing the annual committed expenditure.

The Trustees have also reviewed the cash position of the charity and the reserves as at the date of signing the financial statements and are satisfied that the charity will be able to meet all of its financial commitments for at least twelve months from the date of signing the financial statements.

As a consequence, the Trustees believe that the charity is well placed to manage its financial risks successfully. Accordingly, the Trustees continue to adopt the going concern basis in preparing the financial statements.

**6. Adaptations for Covid-19**

COVID 19 has had a huge impact on the Charity's beneficiaries – teachers, young people and the charity projects that we fund. The Charity adapted its activities in 2020 and 2021 to meet the changing times, with its strategy of focusing on mental wellbeing being even more relevant.

The Charity continued to deliver much of its work virtually and in 2021 maintained its simplified grant agreement process for smaller grants of between £500-£2,000. The Bupa Foundation Board of Trustee meetings were adapted to take place virtually or as hybrid meetings and e-signing of grant agreements continues following introduction in 2020. The Charity continued to provide additional time for impact reporting and ensured there was a simple reporting process in place.

## **Trustees' report (continued)**

The Charity's also extended grant recipient project timelines where requested and offered additional support in the form of free wellbeing workshops, as well as facilitating matching Bupa volunteers with volunteering opportunities and grant recipient organisations where possible.

### **7. Strategic plans**

In 2022 the Charity will continue to run programmes and help fund practical projects to support wellbeing, especially mental wellbeing and resilience:

- Flagship programme: help people to thrive at work, with a focus on teachers (Wellbeing for Educators programme) and the charities we support and young people we support,
- Managed programmes: support young people's mental wellbeing via practical programmes with tangible and direct impact,
- Local community grants: support local practical, grassroots projects which support communities' mental wellbeing with volunteering support from Bupa's people,
- Advocate for mental wellbeing: engage target audiences in their own and others' resilience.

The Charities funding principles for 2022 are:

- To align with the existing strategy,
- To support practical projects which have a positive impact on people's mental wellbeing,
- To ensure all causes supported strive to be inclusive in their approach,
- To ensure all causes supported aim to have a positive impact on the environment,

all whilst ensuring the charity's due diligence criteria is met.

### **8. Risk management**

The Trustees work to an established risk management process to assess risks and implement risk management strategies. This involves identifying the types of risks faced, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. Risks are logged in the Charity's Risk Register which the Trustees review on a regular basis.

The Charity's Risk Register considers risks relating to the following:

- Laws and regulations, particularly ensuring compliance with regulatory requirements.
- Operational risks, such as succession planning for Trustees and the Director of Bupa Foundation.
- Financial risks, particularly inappropriate use of grant funding by an institution.
- Reputational risks, for example by association with an institution that is perceived to be, or found to be, mismanaged or incompetent.

Key controls used and mitigating actions undertaken include:

- Seeking advice from specialist advisers in managing the Charity to ensure compliance with laws and regulations governing charities and companies.
- Discussing Governance issues and succession planning at Board meetings.
- Ensuring Trustees receive a formal induction, which includes specific guidance from the Charity Commission on corporate foundations, detailed information on their role and responsibilities as Trustees and on the Charity's governance policies, including the Conflicts of Interest policy.
- Undertaking due diligence for all grant recipients, including a review of financial accounts and their media and social media profile.
- Operating a programme of relationship management with grant recipients, establishing proactive and open communication, undertaking visits, and clearly detailing requirements for reporting and reviewing progress and impact.
- Reviewing and developing policies and procedures to support the Charity's programmes and grant-making.

## **Trustees' report (continued)**

### **Structure, governance and management**

#### **1. Charity organisation**

Bupa Foundation, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are currently 8 trustee directors and the sole member is Bupa Healthcare Services Limited who has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The Foundation is a registered charity. The registered office is given on page 1.

#### **2. Governance and Management**

The Charity is governed by its Articles of Association. In accordance with the Articles of Association, there must be at least seven Trustees, including no less than two Independent Trustees (which are defined as not being connected with Bupa and its subsidiaries (the "Bupa Group")).

There was one change relating to Bupa Connected Trustees up to the date of this report, with the termination of Charles Richardson as a trustee on 4 March 2022.

The recruitment and appointment of Trustees is managed by the Chair and the Director of the Bupa Foundation and approved by the sole member, Bupa Healthcare Services Limited. When recruiting Trustees, attention is given to the balance of skills and experience of the Board, particularly clinical and wellbeing expertise and experience of the charitable sector.

The following people served as either an Independent or Bupa Connected Trustee during 2021:

##### **Independent Trustees:**

- A Cole\*
- M Callister-Davies
- H Cliffe
- A Spyropoulos

\*Alexandra Cole served as Bupa Connected Trustee until 30 June 2021 when she left Bupa's employment. In June 2021 Ms Cole formally accepted the written invitation by the Charity to remain as Chair and trustee/director from 1 July 2021.

##### **Bupa Connected Trustees:**

- A Cole
- R Edmundson
- P Franklin
- S Pain
- C Richardson
- T Hoosen-Webber

The Chair of Trustees, together with the Director of Bupa Foundation, is responsible for the induction of new Trustees. Trustee induction involves raising awareness of Trustees to their duties and responsibilities under the Charities Act 2011 and Companies Act 2006, as well as an introduction to the governing documents of the Charity and its policies. At an induction meeting all new Trustees are taken through a detailed Induction Presentation, including links to essential reading material and guidance from the Charity Commission (The Essential Trustee and A Guide to Corporate Foundations) and have the opportunity to ask any questions. Trustees are asked from time to time to familiarise themselves with their responsibilities using the materials provided by Charity Commission. For example, videos on trustee responsibilities and essential trustee guides. In summer 2021 Trustees' development included sessions on the impact of climate change on young people's mental health, including sessions by people with lived experience.



**Trustees' report (continued)**

The Trustees meet 3 to 5 times a year to agree the strategic direction of the Charity, review programme performance and approve grants over £25,000. Programmes are run, and grants awarded in line with the Charity's Articles of Association. The Trustees have delegated authority to the Bupa Foundation Team for grants totalling no more than £25,000 in any month, provided 10 days is given to Trustees for comment. While there is no maximum, grants are generally between £1,000 - £30,000 for Community Committees, and between £1,000 - £150,000 for managed programmes per calendar year.

The Charity has a Conflicts of Interest policy, under which all Trustees must declare their interest in any potential beneficiary of a grant prior and stepping out of any subsequent discussions prior to any funding decision being made.

The Charity does not have any direct employees. On a day to day basis, the Charity is administered by the Director of the Bupa Foundation, supported by both the Head of Community and ESG Communications Manager, Bupa Foundation Manager (3 days per week) and Bupa Foundation Administrator (2 days per week). Associated costs are borne by Bupa. The Bupa Foundation Manager and Administrator whose roles are solely dedicated to the Bupa Foundation and are recorded as donated services in the financial statements. In addition to this, costs for the remaining employees are recorded as donated services on a time proportionate basis. In 2021, a Bupa Foundation Project Executive was paid by the Foundation to support the Bupa Foundation Wellbeing for Educators programme, which commenced on 1 October 2020. This role was funded by the additional funds received from Bupa in 2020.

**3. Relationships with related parties**

Details of transactions with related parties are set out in note 6 to the financial statements.

**4. Auditor**

Deloitte LLP have expressed their willingness to continue in office as auditor. Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Deloitte will therefore continue in office.

**Trustees' report (continued)**

**Statement of Trustees' responsibilities**

The Trustees (who are also Directors of the Charity 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 Accounting Standards (UK General Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and 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 disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

The Trustees' Report was approved by the Board of Trustees and authorised for issue.

Signed on its behalf by



**Alex Cole**  
**Chair of the Board of Trustees**  
16 August 2022

## **Independent auditor's report to the members of Bupa Foundation**

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

#### **Opinion**

In our opinion the financial statements of Bupa Foundation (the 'charitable company'):

- give a true and fair view of the state of the charitable company's affairs as at 31<sup>st</sup> December 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of financial activities (incorporating the income and expenditure account);
- the balance sheet;
- the cash flow statement;
- the related notes 1 to 10

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

#### **Other information**

The 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.

## **Independent auditor's report to the members of Bupa Foundation (continued)**

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

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our 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 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 considered the nature of the charitable company's industry and its control environment, and reviewed the documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and UK Charities Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included the Charity Commission for England and Wales Regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

- We presume a risk of material misstatement due to fraud in revenue recognition which is related to the completeness of donation income. To address this risk, we reviewed the Trustees' meeting minutes, bank statements in the period, and post year end records; and tested a sample of income drawdowns to grant expenditure agreements, to test whether income had been appropriately included in the financial statements.

**Independent auditor's report to the members of Bupa Foundation (continued)**

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

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

**Report on other legal and regulatory requirements**

**Opinions 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 strategic report and the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report included within the trustees' report.

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

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

**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.



Sarah Anderson FCCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Leeds, United Kingdom  
26 August 2022

**Statement of financial activities (incorporating the income and expenditure account)**

	Note	2021 £	2020 £
<b>Income from:</b>			
Donations	3	1,187,989	2,066,496
<b>Total income</b>		<b>1,187,989</b>	<b>2,066,496</b>
<b>Expenditure on:</b>			
Charitable activities	4	(1,258,291)	(1,955,492)
<b>Total expenditure</b>		<b>(1,258,291)</b>	<b>(1,955,492)</b>
Net (expenditure) /income for the year before and after tax		(70,302)	111,004
<b>Total funds brought forward</b>		<b>208,055</b>	<b>97,051</b>
<b>Net movement in funds</b>		<b>(70,302)</b>	<b>111,004</b>
<b>Funds balances carried forward</b>		<b>137,753</b>	<b>208,055</b>
<b>For the year ended 31 December 2021</b>			

There were no other recognised gains or losses other than those listed above and the net (expenditure) / income for the year.

All income and expenditure derives from continuing activities.

**Balance sheet**

**As at 31 December 2021**

	Note	2021 £	2020 £
<b>Current assets</b>			
Cash at bank and in hand		290,733	532,050
		290,733	532,050
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	7	(152,980)	(252,995)
<b>Net Current Assets</b>		137,753	279,055
Creditors: amounts falling due after one year	8	-	(71,000)
<b>Net assets</b>		137,753	208,055
<b>Funds</b>			
Unrestricted funds:			
General fund	10	137,753	208,055
<b>Total funds</b>		137,753	208,055

The financial statements were approved by the Board of Trustees and authorised for issue on 16 August 2022 and were signed on its behalf by:



Siobhan Moynihan  
**Trustee**

16 August 2022

Charity number: 1162759  
Registered company number: 9524970

**Cash flow statement**  
**For the year ended 31 December 2021**

	Note	2021 £	2020 £
Net cash (used)/generated from operating activities	5	(241,317)	526,453
<b>Net Cash (outflow)/inflow</b>		<b>(241,317)</b>	<b>526,453</b>

**Analysis of the movement in cash**

	2021 £	2020 £
Cash at bank and in hand at beginning of year	532,050	5,597
Cash (outflow)/inflow	(241,317)	526,453
<b>Cash at bank and in hand at end of year</b>	<b>290,733</b>	<b>532,050</b>



## **Notes to the financial statements**

### **1. Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below.

Bupa Foundation, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are currently 8 trustee directors and the sole member is Bupa Healthcare Services Limited who has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The Foundation is a registered charity. The registered office is given on page 1.

#### **1.1 Basis of accounting**

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice “Accounting and Reporting by Charities (SORP 2019)” applicable to charities preparing their accounts in accordance with FRS 102 and the Companies Act 2006.

The particular policies adopted by the Trustees are described below and have been applied throughout the current year and preceding year.

#### **1.2 Preparation of Financial Statements – Going Concern basis**

At the balance sheet date, the Charity remained in a strong liquid position with cash reserves totalling £290,733 (2020: £532,050).

The Charity is dependent upon receiving funding from Bupa, which is committed annually in advance of each accounting period. Grant awards are only approved within the funds available under the Annual Grant Agreement and are not committed beyond the level of confirmed funding.

Bupa has confirmed its 2022 funding of £1m to the Charity. This provides the Charity with a secure future for supporting the realisation of the intended charitable aims and objectives and its committed future costs.

Based on this, the Trustees have assessed that there is no material uncertainty surrounding the going concern of the Charity for the foreseeable future being at least 12 months from the date of approval of these financial statements, thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### **1.3 Income**

All income is recognised in the statement of financial activities when the conditions for receipt have been met and receipt is probable. The following accounting policies are applied to income:

##### **a) Donation income**

Donation income is accounted for on the date when it becomes receivable.

##### **b) Donated goods and services**

Gifts in kind and donated services are included at the lower of their value to charity and their estimated market value. A corresponding amount is then recognised in expenditure in the period of receipt.

#### **1.4 Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

##### **a) Charitable activities - grants payable**

Grants are included in the statement of financial activities when approved by the Trustees and agreed with the recipient organisation by way of a grant agreement. If a grant is awarded that is dependent on certain conditions being met, it is treated as expenditure and a liability of the Charity if those conditions fall outside of the control of the Charity. Grants are disclosed as commitments, but not provided for, if they are approved but not payable until certain conditions of the grant agreement are met.

**Notes to the financial statements (continued)**

**b) Charitable activities – direct costs**

Direct costs are costs directly associated with furthering the Charity's flagship programmes. These costs are recognised within charitable activities and accounted for an accruals' basis.

**c) Support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity. All support costs are allocated to charitable activities since no fundraising activities are undertaken by the Charity, see note 4. These costs are allocated on a time spent by activity basis.

**d) General volunteering**

The charity relies on the contribution of unpaid general volunteers to carry out some activities. The general volunteering work includes individuals volunteering their time to assess funding applications made to the charity. The cost of other ad hoc support provided by Bupa is deemed not to be easily identifiable and is considered by the Trustees to be immaterial

**1.5 Taxation**

The Charity is a registered charity and has no liability to corporation tax on its charitable activities.

**1.6 Fund accounting**

Unrestricted funds represent funds which are expendable at the discretion of Trustees in furtherance of the objects of the Charity. Such funds may be held in order to finance both working capital and capital investment. General funds are unrestricted funds which are available for use at the discretion of the Trustees in the furtherance of the general objectives of the charity. Designated funds are amounts that have been put aside at the discretion of the Trustees. See note 10 for further information on funds and funds utilisation.

**1.7 Financial instruments**

The Charity 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.

**a) Cash at bank and in hand**

Cash at bank and cash 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.

**b) Creditors and provisions**

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

**c) Accrued Income/Debtors**

Accrued income is recognised when the Charity has met the contractual conditions required to receive donation income and is recognised at the settlement amount due.

**2. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

**Notes to the financial statements (continued)**

**3. Donations**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Donated Income	980,667	1,977,410
Donated Services	207,322	89,086
	<b>1,187,989</b>	<b>2,066,496</b>

**4. Expenditure on charitable activities**

The Trustees committed to a total of 87 grants to 82 organisations in 2021 (2020: 91 organisations), for which funds were allocated from the 2021 annual commitment of funds. Grants recognised in expenditure, recognised on receipt of a signed grant agreement where there are no further conditions to be met, are split in the following funding programmes:

**2021**

<b>Programme</b>	<b>Activities undertaken directly</b>	<b>Grant funding of activities</b>	<b>Support costs</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Flagship Programmes	66,503	99,450	60,573	<b>226,526</b>
Managed Programmes	-	584,967	88,374	<b>673,341</b>
Local Community Grants	-	300,000	58,424	<b>358,424</b>
	<b>66,503</b>	<b>984,417</b>	<b>207,371</b>	<b>1,258,291</b>

**2020**

<b>Programme</b>	<b>Activities undertaken directly</b>	<b>Grant funding of activities</b>	<b>Support costs</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Flagship Programmes	116,741	101,000	3,169	<b>220,910</b>
Managed Programmes	-	1,364,563	76,788	<b>1,441,351</b>
Local Community Grants	-	284,102	9,129	<b>293,231</b>
	<b>116,741</b>	<b>1,749,665</b>	<b>89,086</b>	<b>1,955,492</b>

The total expenditure above of £1,258,291 (2020: £1,955,492) includes £1,118,187 (2020: £1,658,210) relating to actual grants paid in the year and accrued expenditure at year end totalling £140,104 (2020: £297,282).

The Charity's charitable activity is providing free, practical resilience programmes and funding of activities by way of grants to institutions for the purposes set out in the Trustees' Report.

Donated services, included above, represent the support costs borne by Bupa and recorded as donated services within donations. These costs represent the costs of managing and administering the Charity. This is an approximate value based on separately identifiable costs and includes the cost of staff providing day to day administration and management of the Charity. Support costs have been allocated on an apportionment basis. Included within the support costs are governance costs totalling £16,745 (2020: £5,958) made up of auditor remuneration £14,400 (2020: £5,280), professional courses £2,297 (2020: £678) and bank charges of £49 (2020: £nil). The cost of other ad hoc support provided by Bupa is deemed not to be easily identifiable and is considered by the Trustees to be immaterial. The Charity does not have any employees.

**Notes to the financial statements (continued)**

Grant management process:

- Large grants, which relate to funding of over £25,000, are dealt with at board meetings or by virtual decision by Trustees.
- Small – Medium grants, which relate to funding of up to £25,000 are dealt with either at board meetings of the Trustees or under delegated powers.

The value of grants included in expenditure range from £1,000 to £150,000. A selection of institutions receiving grants for each programme in 2021 are listed on our website as referenced in the trustee's report.

No Trustees received remuneration or associated reimbursement of expenses during the current year or preceding year.

**5. Reconciliation of net income to net cash inflow from operating activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net (Expenditure)/Income for the year	(70,302)	111,004
Decrease in debtors/accrued income	-	91,455
(Decrease)/Increase in creditors/accrued expenditure	(171,015)	323,995
<b>Net cash (used)/generated from operating activities</b>	<b>(241,317)</b>	<b>526,453</b>

**6. Related party transactions**

During the year, the Charity received donated income of £980,667 (2020: £1,977,410) and donated services to the value of £207,322 (2020: £89,086) from Bupa. Included in direct costs are employee costs relating to a staff member of Bupa who was invoiced to the Bupa Foundation during the year. At the balance sheet date there was accrued expenditure of £6,980 (2020: £44,225) relating to costs borne by Bupa to be reimbursed by the Bupa Foundation. There was no outstanding income between the Charity and Bupa at the balance sheet date. A number of the Trustees are also directors of various entities within the Bupa Group (listed in the Trustees' Report as Bupa Connected Trustees). No trustees received remuneration or reimbursement of expenses during the current or prior year.

**7. Creditors - amount falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Grants payable	146,000	208,770
Accrued expenditure	6,980	44,225
	<b>152,980</b>	<b>252,995</b>

**8. Creditors - amount falling due after one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Grants payable	-	71,000
	<b>-</b>	<b>71,000</b>

Notes to the financial statements (continued)

9. Commitments

In 2020 the Charity had committed to pay a grant subject to certain pre-determined conditions being met. These conditions include a quarterly review of activities and use of funds of which the Charity must be satisfied with the review outcome. As at the 31<sup>st</sup> of December 2021 the charity had no commitments.

	2021 £	2020 £
Contracted but not provided for	-	96,000
	-	96,000

10. Unrestricted funds

In 2020 the charity ran the managed programmes Mid-life Mental Health which funded practical, community-focused projects to support and improve people's mental health at a critical life-stage. There have been no designated funding programmes in 2021.

	01 Jan 2021 £	Income £	Expenditure £	31 Dec 2021 £
General Fund	208,055	1,187,989	(1,258,291)	137,753
	208,055	1,187,989	(1,258,291)	137,753

Prior year comparative:

	01 Jan 2020 £	Income £	Expenditure £	31 Dec 2020 £
<b>Designated Funds</b>				
Mid-Life Mental Health Funding Programme	91,455	-	(91,455)	-
	91,455	-	(91,455)	-
<b>General Fund</b>	5,597	2,066,496	(1,864,037)	208,055
	97,052	2,066,496	(1,955,492)	208,055