

**Report of the Trustees and
Financial Statements
for the Year Ended 31 May 2021
for
The Beam Foundation**

Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

The Beam Foundation

Contents of the Financial Statements for the Year Ended 31 May 2021

	Page
Report of the Trustees	1 to 5
Report of the Independent Auditors	6 to 8
Statement of Financial Activities	9
Balance Sheet	10
Cash Flow Statement	11
Notes to the Financial Statements	12 to 19
Detailed Statement of Financial Activities	20

The Beam Foundation
Report of the Trustees
for the Year Ended 31 May 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 May 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objects are:

- o to promote the education of individuals, in particular, but not exclusively, homeless individuals, individuals with disabilities and individuals who have a criminal record, in such ways as the charity trustees think fit, including by providing assistance to find and fundraise educational courses and training; and
- o to relieve unemployment, in particular but not exclusively amongst homeless individuals, individuals with disabilities and individuals who have a criminal record, in such ways as may be thought fit, including providing assistance to find employment, in each case for the public benefit.

Significant activities

The Charity achieves its objects in two main ways. Firstly, the Charity uses funds raised by Beam Up Ltd, including from its crowdfunding website at beam.org to remove financial barriers for beneficiaries to stable work and housing, including employment training, transport costs, tools, clothes and rental deposits. Beam Up Ltd bears all the costs of developing and maintaining the website and raising donations. Secondly, the Charity contracts Beam Up Ltd to deliver casework services to its beneficiaries at a cost significantly below the cost of directly employing caseworkers. The operational cost savings to the Charity, across marketing and payroll, allows a 100% giving model, whereby all donations are remitted to the Charity's bank account to be spent removing financial barriers for its beneficiaries. The Charity prides itself on using its donations as efficiently as possible to achieve its charitable objects.

Beam Up Ltd is staffed by specialists in the type of case work relevant to our members as well as fundraising experts and is led by its CEO, Alex Stephany, with whom the Charity has a close relationship and receives a quarterly service level update on the key metrics that are delegated to Beam Up Ltd on a day to day basis. The team of caseworkers is led by Beam Up Ltd's COO, Seb Barker, who is a specialist in homelessness and personalised services, having previously worked in homelessness and social care at Thames Reach, Turning Point and NHS England.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The Beam Foundation
Report of the Trustees
for the Year Ended 31 May 2021

ACHIEVEMENT AND PERFORMANCE

Fundraising

The Charity generated income of £1,105,729 for the year (+86% above prior year) generated from donations (including Gift Aid), and grants. 4,343 members of the public donated to the Charity, 1,811 of whom donated monthly.

Within the reporting period, 387 people launched crowdfunding campaigns on beam.org. By using an algorithm that allocates monthly donations to campaigns, Beam Up Ltd continued in this reporting period to ensure that every campaign was fully funded within 56 days (over 92% were fully funded within 28 days).

With respect to grants, a total of £30,000 was received from Homeless Link.

The Charity has also been able to provide corporate giving through an innovative feature built by Beam Up Ltd called "gift cards", which allow individuals or businesses to make donations on behalf of others.

Fund-raising standards

The Charity has not spent donor money during the reporting period on marketing that it views as costly to donors and potentially unsolicited and environmentally unfriendly. The Charity has not used, contracted or paid for any third party fundraising services during the reporting period. The Charity has signed up to the Code of Fundraising Practice through the Fundraising Regulator.

Social Impact

Progress towards the Charity's Objects for the reporting period are as follows:

- o 217 beneficiaries were supported into work
- o 113 beneficiaries sustained jobs of more than 13 weeks
- o 51 beneficiaries signed Private Rented Sector tenancies from enabled by Beam Up Ltd, as part of a newer service known as "Beam Lettings"

Demographic background of beneficiaries

Of beneficiaries referred within the reporting period:

- o 32% identify as rough sleepers
- o 67% were in Temporary Accommodation, rough-sleeping or sofa-surfing
- o 8% identify as care leavers
- o 58% identify as parents
- o 7% identify as refugees
- o 18% are 25 or under
- o 33% are 30 or under
- o 46% identify as female
- o 70% identify as being from an ethnic minority background
- o 100% success rate of crowdfunding campaigns launched during in the reporting period

FINANCIAL REVIEW

Financial review

The major significant event during the reporting period has been the ongoing effects of the covid-19 pandemic. We believe this has positively impacted the financial position of The Beam Foundation as greater awareness and demand for the services offered by the Charity has increased our exposure to donors and grant making institutions. In response to social distancing requirements, Beam Up Ltd developed a remote operational model, whereby caseworkers and beneficiaries could speak via video calls.

Over the reporting period, the Charity maintained reserves of over £100,000 of cash and cash equivalents at all times, a sum that the trustees consider as adequate to cover up to three years of operational expenses. In June 2021, the Trustees formally adopted a Reserves Policy to maintain reserves of over £100,000 of cash and cash equivalents at all times

At the beginning of the period, the Charity had £322,617 of cash and cash equivalents. In the year to 31 May 2021, this means the net change in cash and cash equivalents of the Charity is £516,656.

The cash and cash equivalents as of 31 May 2021 is £839,273.

The Beam Foundation
Report of the Trustees
for the Year Ended 31 May 2021

FINANCIAL REVIEW

Principal funding sources

The Charity receives donations made by the public to fund specifically Beam Up Ltd operations (the "Tips"). Tips are remitted to Beam Up Ltd on a monthly basis, after deductions for the monthly cost of payment processing ("Monthly Service Fee"). Monthly Service Fees for the reporting period totalled £58,423. Caseworker salaries borne by Beam Up Ltd exclusively for the Charity's beneficiaries totalled £374,054.

Reserves policy

At the end of the reporting period (31 May 2021), the Charity had £630,054 in restricted funds and £164,480 in unrestricted funds, being its free reserves. The unrestricted funds include gift aid claims which were not expressly directed towards campaign costs.

FUTURE PLANS

Employees of Beam Up Ltd source beneficiaries for the Charity (and seek to offset the cost of delivering services for the Charity) through contractual partnerships with local authorities and central government. Initially, Beam Up Ltd partnered with local authorities in London and it hopes to secure many new partnerships beyond London which would allow the Charity to positively impact beneficiaries from a broader geographic area across the UK.

The Charity has experienced providing support to refugees among its beneficiaries including from Syria, Afghanistan and Eritrea. The Charity plans to support more beneficiaries from those groups, notably refugee beneficiaries in light of the current Ukrainian refugee crisis.

To support the work of partnering with more government bodies around the UK and service delivery, Beam Up Ltd has employed bid writers, partnerships managers and account managers at no additional cost to the Charity or its donors.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution and governing document

The Beam Foundation is a private company limited by guarantee incorporated in England and Wales. It is governed by its Articles of Association.

Recruitment and appointment of new trustees

New Trustees are appointed by resolution of the Board from suitable members of the community who have skills the Board requires. New Trustees are encouraged to apply on a careers website but we will move to more targeted recruitment services in the new year as the skills and experiences needed become more specialised.

Organisational structure

As highlighted above, the Trustees delegate the specific case work and deployment of Charity funds to Beam Up Ltd but this is on close instruction and monitoring in a quarterly status update meeting with their CEO, Alex Stephany, focussed on key metrics (such as number of people into work), as described above as well as reports on safeguarding and risk in relation to members and staff, new initiatives aligned to our Objects and also fundraising performance and financial reserves. The Charity does not employ any staff.

Decision making

The Charity is governed by its Articles of Association and the Trustees review activity in line with its Objects each quarter, as well as reviewing the risk register of the charity, any live safeguarding matters, financial performance, operations and social impact as described above as well as attending to any continuing evolution of the governance of the Charity, to be proportionate and appropriate to its size and complexity.

Decisions are made in the quarterly Trustee meetings (video-conference) by a simple majority and in the instance of a split vote the Chair (Dean Nash) has a casting vote.

The Beam Foundation
Report of the Trustees
for the Year Ended 31 May 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

New Trustees are trained on relevant governance matters and the nature of their duties (co-ordinated by our external advisors), the details and service levels of its arrangements with Beam Up Ltd, and receive a quarterly update report on the key metrics of the Charity. In addition Trustees have a focus on specific areas that match their background and expertise and build relationships with members of Beam Up Ltd in front line case work, fundraising, finance and operations to better understand the day to day work being delegated.

Related parties

The charity is administered by the company Beam Up Ltd. Beam Up Ltd charges a monthly management fee to the charity for the day-to-day support costs and overheads that it incurs on behalf of the charity. Further details are given in the notes to these financial statements.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

10756127 (England and Wales)

Registered Charity number

1181864

Registered office

131 Finsbury Pavement
London
EC2A 1NT

Trustees

Ms A Appiah (appointed 11.12.20)
Ms S Jordan
Mr D Nash (appointed 18.8.20)
Mr T Thomas (appointed 18.8.20)
Ms C Sutcliffe (resigned 18.9.20)
Mr P Hewinson (resigned 18.9.20)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Auditors

Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

Advisers and bankers

The Charity's solicitors are Slaughter & May LLP of One Bunhill Row, London, EC1Y 8YY.

The Charity banks with NatWest through a Business Account and has a Wise plc Business Account for day to day operational expenses.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Beam Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

The Beam Foundation
Report of the Trustees
for the Year Ended 31 May 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 auditors are 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 auditors are aware of that information.

AUDITORS

The auditors, Locke Williams Associates LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 31 March 2022 and signed on its behalf by:


Dean Nash (Mar 31, 2022 12:49 GMT+1)

Mr D Nash - Trustee

Report of the Independent Auditors to the Trustees of The Beam Foundation

Opinion

We have audited the financial statements of The Beam Foundation (the 'charitable company') for the year ended 31 May 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In the previous accounting period the directors of the company was exempt from the audit requirements of s144 of the Charities Act 2011. Therefore the prior period financial statements were not subject to audit.

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 Auditors' 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 FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 17 to the financial statements, 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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of The Beam Foundation

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the sector in which it operates, and considered the risk of acts by the Charity that were contrary to applicable laws and regulations, including fraud. We designed our detailed audit procedures to respond to these risks, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on those laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011, Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of third parties where appropriate.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and checking the authorisation of expenditure as part of our substantive testing, using analytical review to identify any significant or unusual transactions and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Trustees of
The Beam Foundation**

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink that reads "Locke Williams Associates". The signature is written in a cursive, flowing style.

Locke Williams Associates LLP
Chartered Accountants
Registered Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
c/o Blackthorn House
St Pauls Square
Birmingham
West Midlands
B3 1RL

31 March 2022

The Beam Foundation

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 May 2021

	Notes	Unrestricted fund £	Restricted fund £	31.5.21 Total funds £	31.5.20 Total funds as restated £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	193,039	912,690	1,105,729	595,968
EXPENDITURE ON					
Charitable activities	4				
Charitable activities		-	542,431	542,431	378,092
Other		<u>93,524</u>	<u>-</u>	<u>93,524</u>	<u>46,426</u>
Total		<u>93,524</u>	<u>542,431</u>	<u>635,955</u>	<u>424,518</u>
NET INCOME		99,515	370,259	469,774	171,450
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		(46,427)	371,187	324,760	153,310
Prior year adjustment	11	<u>111,392</u>	<u>(111,392)</u>	<u>-</u>	<u>-</u>
As restated		<u>64,965</u>	<u>259,795</u>	<u>324,760</u>	<u>153,310</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>164,480</u></u>	<u><u>630,054</u></u>	<u><u>794,534</u></u>	<u><u>324,760</u></u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The Beam Foundation (Registered number: 10756127)

Balance Sheet
31 May 2021

	Notes	31.5.21 £	31.5.20 as restated £
CURRENT ASSETS			
Debtors	12	16,649	44,550
Cash at bank and in hand		<u>839,273</u>	<u>322,617</u>
		855,922	367,167
CREDITORS			
Amounts falling due within one year	13	<u>(61,388)</u>	<u>(42,407)</u>
NET CURRENT ASSETS		<u>794,534</u>	<u>324,760</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>794,534</u>	<u>324,760</u>
NET ASSETS		<u>794,534</u>	<u>324,760</u>
FUNDS	15		
Unrestricted funds		164,480	64,965
Restricted funds		<u>630,054</u>	<u>259,795</u>
TOTAL FUNDS		<u>794,534</u>	<u>324,760</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 May 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.


The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 31 March 2022 and were signed on its behalf by:


Dean Nash (Mar 31, 2022 12:49 GMT+1)

Mr D Nash - Trustee

The notes form part of these financial statements

The Beam Foundation
Cash Flow Statement
for the Year Ended 31 May 2021

		31.5.21	31.5.20 as restated
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	18	<u>516,656</u>	<u>187,306</u>
Net cash provided by operating activities		<u>516,656</u>	<u>187,306</u>
		_____	_____
Change in cash and cash equivalents in the reporting period		516,656	187,306
Cash and cash equivalents at the beginning of the reporting period		<u>322,617</u>	<u>135,311</u>
Cash and cash equivalents at the end of the reporting period		<u><u>839,273</u></u>	<u><u>322,617</u></u>

The notes form part of these financial statements

The Beam Foundation

Notes to the Financial Statements for the Year Ended 31 May 2021

1. CHARITY INFORMATION

The Beam Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is (Wework) 131 Finsbury Pavement, London, EC2A 1NT.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

The Beam Foundation operates a 100% giving model, where the entirety of a donation towards a campaign goes to the person being supported. Salaries and overheads are not paid out of these donations. All such donations are treated as restricted income.

However donors are asked at the point of their donation to make an additional contribution (they can choose not to) of an additional 5% to 50% of their donation, towards the cost of supporting beneficiaries of the charity. Any amount of additional donation made in this way is treated as unrestricted income.

Change in accounting policy

Income received from Gift Aid claims is to be accounted for as unrestricted income in its entirety, since at the time of donation, only the donation amount itself is expressly directed towards campaign costs with no such expression in respect of any Gift Aid claim that might be possible. Accordingly, since the donors have not specified otherwise, the treatment of Gift Aid income as unrestricted is considered to be in accordance with the Charities SORP. The financial effect of this change is set out in note 11.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Expenses include VAT where applicable as the company cannot reclaim it.

Allocation and apportionment of costs

Direct costs of the charity are those incurred to directly support people to get new jobs and homes. Expenditure includes training and equipment for employment, accommodation and housing costs and childcare. All direct costs are paid out of donations made towards campaigns.

The Beam Foundation

Notes to the Financial Statements - continued for the Year Ended 31 May 2021

2. ACCOUNTING POLICIES - continued

Allocation and apportionment of costs

Support costs are those essential costs that assist with the day-to-day work of the Beam Foundation, but do not directly represent campaign expenditure and include office costs, governance costs and other administrative costs. The majority of support costs are borne directly by Beam Up Ltd and are passed onto the charity through a monthly management charge which is equivalent to the support costs tip donation received each month, after deductions for the costs to the Beam Foundation of online payment processing..

Governance costs comprise costs for the running of the Charity itself as an organisation.

Taxation

The charity is registered with the Charity Commission and under the provisions of Section 478 Corporation Tax Act 2010, is exempt from liability to taxation on its charitable activities.

Financial instruments

The Charity only has financial assets and 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. These basic financial instruments include debtors and creditors, receivable or payable within one year and with no with stated interest rate.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

3. DONATIONS AND LEGACIES

	31.5.21	31.5.20 as restated
	£	£
Donations	971,346	504,415
Gift aid	104,383	71,303
Grants	<u>30,000</u>	<u>20,250</u>
	<u><u>1,105,729</u></u>	<u><u>595,968</u></u>

The Beam Foundation

Notes to the Financial Statements - continued
for the Year Ended 31 May 2021

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5) £
Charitable activities	<u>542,431</u>

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.5.21 £	31.5.20 as restated £
Courses	172,621	249,036
Travel	22,559	19,731
IT software and equipment	133,491	51,185
Equipment	22,045	6,133
Childcare	20,599	17,760
Accommodation	124,821	14,400
Other expenditure	46,295	15,989
Service fees	-	3,858
	<u>542,431</u>	<u>378,092</u>

6. SUPPORT COSTS

	Management costs £	Governance costs £	Totals £
Other resources expended	<u>89,984</u>	<u>3,540</u>	<u>93,524</u>

Support costs, included in the above, are as follows:

	31.5.21 Other resources expended £	31.5.20 as restated Total activities £
Management overhead	87,779	40,088
Accountancy	1,440	6,000
Legal expenses	-	3
Bank fees	35	7
Software costs	767	328
Bank fees	(37)	-
Auditors' remuneration	<u>3,540</u>	<u>-</u>
	<u>93,524</u>	<u>46,426</u>

The Beam Foundation

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021**

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.5.21	31.5.20 as restated
	£	£
Auditors' remuneration	<u>3,540</u>	<u>-</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 May 2021 nor for the year ended 31 May 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 May 2021 nor for the year ended 31 May 2020.

9. STAFF COSTS

There were no employees during the year.

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Total funds as restated
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	111,391	484,577	595,968
 EXPENDITURE ON			
Charitable activities			
Charitable activities	-	378,092	378,092
Other	<u>46,426</u>	<u>-</u>	<u>46,426</u>
Total	<u>46,426</u>	<u>378,092</u>	<u>424,518</u>
 NET INCOME	 64,965	 106,485	 171,450
 RECONCILIATION OF FUNDS			
Total funds brought forward	 <u>-</u>	 <u>153,310</u>	 <u>153,310</u>
 TOTAL FUNDS CARRIED FORWARD	 <u><u>64,965</u></u>	 <u><u>259,795</u></u>	 <u><u>324,760</u></u>

See note 11 for the prior year restatement to these comparative figures.

The Beam Foundation

Notes to the Financial Statements - continued for the Year Ended 31 May 2021

11. PRIOR YEAR ADJUSTMENT

Correction of error

In carrying out the audit of this year's financial statements, in the prior year, amounts received by way of donors adding an additional contribution towards support costs were accounted for as restricted fund income, rather than as unrestricted. As the support costs that these additional contributions were accounted for as unrestricted expenditure, this income should have been accounted for as unrestricted.

In correcting this in the current financial statements, the comparatives have been amended so that income of £40,088 have been reclassified as unrestricted, being the amounts identified as the additional donor income made towards support costs.

Change in accounting policy

In the current year, the charity has clarified its accounting policy towards Gift Aid receipts, with these being recognised as unrestricted income. This policy was not applied to the prior year's financial statements, with Gift Aid receipts being accounted for as restricted income. Accordingly, the comparatives have been amended so that income from Gift Aid receipts of £71,304 have been reclassified as unrestricted income.

The deficit on the unrestricted fund for the year to 31 May 2020 has therefore changed from being £46,427 to a surplus of £64,965, whilst the surplus on restricted funds changed from £371,187 to £259,795.

	Unrestricted Funds £	Restricted Funds £	Total Funds
Total funds brought forward as previously reported	(46,427)	371,187	324,760
Effect of correction of error	40,088	(40,088)	-
Effect of change in accounting policy	<u>71,304</u>	<u>(71,304)</u>	<u>-</u>
As restated	<u><u>64,965</u></u>	<u><u>259,795</u></u>	<u><u>324,760</u></u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.21 £	31.5.20 as restated £
Other debtors	9,045	36,578
Prepayments and accrued income	<u>7,604</u>	<u>7,972</u>
	<u><u>16,649</u></u>	<u><u>44,550</u></u>

The Beam Foundation

Notes to the Financial Statements - continued
for the Year Ended 31 May 2021

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.21	31.5.20 as restated
	£	£
Trade creditors	54,968	40,006
Accruals and deferred income	6,420	2,401
	<u>61,388</u>	<u>42,407</u>

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	Total funds £	31.5.20 as restated Total funds £
Current assets	170,900	685,022	855,922	367,167
Current liabilities	(6,420)	(54,968)	(61,388)	(42,407)
	<u>164,480</u>	<u>630,054</u>	<u>794,534</u>	<u>324,760</u>

15. MOVEMENT IN FUNDS

	At 1.6.20 £	Prior year adjustment £	Net movement in funds £	At 31.5.21 £
Unrestricted funds				
General fund	(46,427)	111,392	99,515	164,480
Restricted funds				
Restricted	371,187	(111,392)	370,259	630,054
TOTAL FUNDS	<u>324,760</u>	<u>-</u>	<u>469,774</u>	<u>794,534</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	193,039	(93,524)	99,515
Restricted funds			
Restricted	912,690	(542,431)	370,259
TOTAL FUNDS	<u>1,105,729</u>	<u>(635,955)</u>	<u>469,774</u>

The Beam Foundation

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021**

15. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.6.19 £	Net movement in funds £	At 31.5.20 £
Unrestricted funds			
General fund	-	64,965	64,965
Restricted funds			
Restricted	153,310	106,485	259,795
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>153,310</u>	<u>171,450</u>	<u>324,760</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	111,391	(46,426)	64,965
Restricted funds			
Restricted	484,577	(378,092)	106,485
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>595,968</u>	<u>(424,518)</u>	<u>171,450</u>

The Restricted fund reflects the overall balance on individual campaign donations received after expenditure incurred in the reporting period. 100% of these funds will be directly expended in furtherance of supporting individual people.

16. RELATED PARTY DISCLOSURES

During the year the Charity entered into the following transactions with related parties:

	Beam Up Ltd	
	2021 £	2020 £
Recharge of management charge and overheads	<u>87,779</u>	<u>40,088</u>
Amounts owed at 31 May	<u>31,701</u>	<u>5,393</u>

Beam Up Ltd is a company controlled by Alex Stephany who is also a member of key management personnel of the Charity.

The Beam Foundation

**Notes to the Financial Statements - continued
for the Year Ended 31 May 2021**

17. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

18. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.5.21	31.5.20 as restated
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	469,774	171,450
Adjustments for:		
Decrease in debtors	27,901	6,110
Increase in creditors	18,981	9,746
	<u>516,656</u>	<u>187,306</u>
Net cash provided by operations		

19.. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.6.20 £	Cash flow £	At 31.5.21 £
Net cash			
Cash at bank and in hand	<u>322,617</u>	<u>516,656</u>	<u>839,273</u>
	<u>322,617</u>	<u>516,656</u>	<u>839,273</u>
Total	<u>322,617</u>	<u>516,656</u>	<u>839,273</u>

The Beam Foundation

Detailed Statement of Financial Activities
for the Year Ended 31 May 2021

	31.5.21 £	31.5.20 as restated £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	971,346	504,415
Gift aid	104,383	71,303
Grants	<u>30,000</u>	<u>20,250</u>
	1,105,729	595,968
Total incoming resources	1,105,729	595,968
EXPENDITURE		
Charitable activities		
Courses	172,621	249,036
Travel	22,559	19,731
IT software and equipment	133,491	51,185
Equipment	22,045	6,133
Childcare	20,599	17,760
Accommodation	124,821	14,400
Other expenditure	46,295	15,989
Service fees	<u>-</u>	<u>3,858</u>
	542,431	378,092
Support costs		
Management		
Management overhead	87,779	40,088
Accountancy	1,440	6,000
Legal expenses	-	3
Bank fees	35	7
Software costs	767	328
Bank fees	<u>(37)</u>	<u>-</u>
	89,984	46,426
Governance costs		
Auditors' remuneration	<u>3,540</u>	<u>-</u>
Total resources expended	635,955	424,518
Net income	<u>469,774</u>	<u>171,450</u>

This page does not form part of the statutory financial statements