

Charity number: 1189216

**HG FOUNDATION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

RPG Crouch Chapman LLP
Chartered Accountants & Statutory Auditor
14-16 Dowgate Hill
London
EC4R 2SU

HG FOUNDATION

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HG FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2022

| | |
|----------------------------------|--|
| Trustees | Thomas Attwood Cornelius Becker (resigned 29 September 2022) Juan Antonio Campos Benitez (appointed 28 September 2022) Robert Joseph Citrino IV (appointed 28 September 2022) Sir Kevan Collins Richard Donner Richard Earnshaw Caroline Löfgren Anna Martina Sanow Gero Wittemann (resigned 18 October 2022) Genyi Zhao (appointed 28 September 2022) |
| Charity registered number | 1189216 |
| Principal office | 2 More London Riverside London SE1 2AP |
| Chief executive officer | J Turner (since September 2022) |
| Independent auditors | RPG Crouch Chapman LLP 14-16 Dowgate Hill London EC4R 2SU |
| Bankers | RBS International 7th Floor 1 Princes Street London EC2R 8BP NatWest 10 Southwark Street London SE1 1TJ |
| Solicitors | Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD Shoosmiths LLP The XYZ Building 2 Hardman Boulevard Manchester M3 3AZ |
| Tax and Legal | Deloitte LLP Abbotts House Abbey Street Reading RG1 3BD |

HG FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their annual report together with the audited financial statements of the CIO for the year ended 31 March 2022.

Objectives and activities for the public benefit

The purpose of The Hg Foundation is to remove barriers to education and skills in the technology sector. The Foundation focuses on those groups who may otherwise experience barriers to access, for example because of their gender, socio-economic background or ethnicity.

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Foundation's aims and objectives, in planning future partnerships and activities and when setting its grant making policy. The Foundation furthers its charitable purposes for the public benefit through making grants to established charitable organisations that directly enhance the employment prospects of underrepresented groups or which support their attainment in qualifications relevant to employment within the world of technology and the modern job market.

The Trustees carry out the Foundation's objectives by partnering with experienced, dedicated and proven charitable and non-profit organisations across the UK, Europe and the United States, all with a strong track record of delivery and which the Foundation will typically look to work with over a number of years.

The Hg Foundation is supported by HgCapital LLP, which provides the Foundation's funding and access to a team with deep technological and operational expertise, as well as its wider network comprising a portfolio of technology companies that offer benefits such as work experience, mentoring and job opportunities. The Foundation recognises that technology is high growth, high potential yet disruptive, and through its work seeks to harvest the benefits and mitigate the downsides of the industry. Furthermore, by leveraging Hg's existing and future networks the Foundation aims to create a multiplier effect to enhance the scale and reach of its activities..

Grant making policy

The Foundation has established its grant making policy to achieve its objects for the public benefit.

In order to meet funding criteria, prospective partners of the Foundation must be able to demonstrate that the proposed projects:

- Are in areas relevant to the world of technology that contribute to improved and sustainable high quality employment prospects.
- Support the development of education and skills. The Foundation is prioritising its work in three clusters reflecting different parts of the pipeline to high quality tech jobs: 1) the building blocks of careers in tech, focused on young people aged 11 plus, and supporting achievement in subjects such as maths, science and computer studies, as well as building aspirations and access to good careers advice; 2) entry level jobs in technology, focused especially on supporting those who are unemployed or on low wages; and 3) access to top end talent, working on bringing a diverse talent pool to graduate roles and the leadership positions of the future.
- Use clear metrics to track and measure outcomes and assess impact. The Trustees seek to appropriately measure and evaluate impact, in order to improve its own understanding, that of its partners and the sector more widely, and to promote consistent improvement. By working with established charitable and non-profit organisations and experts, the Foundation is able to support its partners in defining;
 - o quantitative and qualitative baseline measures
 - o a KPI and performance milestone framework to assess each project
 - o working towards a "best in class" impact evaluation framework

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

- Target those who need it most. The Foundation focuses on individuals from underrepresented backgrounds, where there is an access gap in education and training and subsequently employment opportunities within the sphere of technology. This includes underrepresentation by gender, socio-economic background and ethnicity.
- Are driven by experienced, dedicated and proven professionals, experts and institutions with a track record of delivery.
- Are strategic and scalable partnerships for the long term. Each partnership typically runs over two to four years, however, smaller, short-term commitments are made by exception; either to establish a new theme or where there is not currently a clear partner operating in a selected area of interest.

The Foundation takes a strategic and proactive approach to sourcing prospective partnerships and carries out thorough due diligence on any potential grant recipient to ensure the funds will be applied in accordance with the Foundation's charitable objectives. This process includes the submission of written proposals, a presentation to a group of Trustees and detailed conversations with leaders of the organisation and their team and where appropriate, due diligence visits will take place. The Foundation may also commission third party research in specific areas of interest in order to gain better insights on the most effective forms of intervention.

To mitigate any risk against the reputation of the Foundation, the Trustees may extend due diligence beyond the proposed grant recipient to include any other associated organisations. In cases where the Foundation supports an organisation for an extended period of time, due diligence will be re-run after a period of three years or if there is a material change of circumstances.

The Trustees require a written agreement to be entered into between the Foundation and the grant recipient which will include, as a minimum:

- The objective of the grant, and details of how the grant can be spent
- The time period for the delivery of the activities, services or outcomes being funded
- Requirements for receiving reports from the recipient on how they have spent the grant, progress against objectives, and achievements for the period covered
- The records that the Trustees require to see regarding the use of the grant, for example invoices for significant expenditure
- Monitoring arrangements, including key metrics around delivery and key outcomes, to enable the Trustees to have confidence that the grant is used for the intended purpose
- What will happen if the terms and conditions of the grant are breached, or if the recipient can no longer carry out the terms of the grant.

Once a grant agreement has been signed, the Foundation holds regular monitoring meetings/visits and will also receive regular grant monitoring reports to include updates on progress against pre-determined milestones specifically around impact and a financial breakdown of expenditure for the project or activity that was funded.

The grant making policy is reviewed regularly to ensure it reflects the charity's objects and advances the public benefit.

A review of our achievements and performance: How our grant programmes delivered public benefit

This report covers activity that has taken place between 1st April 2021 and 31st March 2022.

In this period a total of six substantive partnerships were funded, comprising one that started in the Foundation's first year and was in the second period of delivery, and five that were initiated in the reporting year. Between them, the partnerships span the UK, US, Germany and France, supporting a range of groups underrepresented in the technology sector, and intervene at school-level, university-level and in adulthood.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Imperial College London – A-Level Further mA*ths Online Programme

Size of Grant: £840,000 over 3 years

Target number of students to receive intensive support: 450 over 3 years

Target number of teachers to receive intensive support: 250 over 3 years

Target number of students with access to online materials: 2,000+ over 3 years

Imperial College London has developed a pioneering and scalable approach to Maths outreach via their mA*ths programme for A-Level Maths which includes mass online learning, e-mentoring, learning support for teachers, as well as intensive support to annual cohorts of disadvantaged students.

The Hg Foundation has funded the expansion of the Imperial College London mA*ths programme into A-Level Further Maths. The core aim of the Further mA*ths programme is to address the attainment gap at A-Level Further Maths by providing intensive support for annual cohorts of up to 150 disadvantaged students (this equates to approximately 16% of the total number of disadvantaged students who took Further Maths in 2019). This is a national scheme, targeting disadvantaged students from across the UK.

A smaller proportion of the Foundation's funding has gone towards investigating progression from GCSE into A-Level Further Maths. This project will examine the progression gap at GCSE and explore scalable and effective measures for increasing take-up of Further Maths by disadvantaged students, which is a key barrier to young people accessing highly selective university courses and, in turn, narrows future career opportunities in technology and related sectors.

The Further mA*ths Online Programme was successfully launched in January 2021 and in its second year reached almost 140 students in years 12 and 13, and 80 teachers. Ninety-eight percent of students successfully graduated from the programme and just over half the eligible cohort made applications to study at Imperial.

The evaluation plan for the Further mA*ths Online Programme includes both internal oversight and monitoring as well as independent external expertise. An evaluation lead has been recruited by the Imperial team to spearhead this work. The evaluation will interrogate the long-term impact of the programme on A-Level attainment and university progression. It will also ensure that the ongoing evaluation of Maths attainment-raising activities is informed by the latest evidence and best practice and will contribute to the growing body of knowledge around the most effective ways to support young people and their teachers in raising attainment.

Future research priorities include a more in-depth look at patterns of uptake of A-Level Further Maths amongst disadvantaged pupils across the country, and possible factors that influence this. The effectiveness of teacher observations and feedback within the evaluation of the programme's impact on participants' attainment will also be explored.

SEO Sponsors for Educational Opportunity – Tech Accelerator Programme

Size of Grant: \$1.6m over 3 years

Target number of students to receive intensive support: 180 over 3 years

SEO is a non-profit organisation dedicated to providing supplemental educational and career support to young people from underserved communities. Through the new SEO Tech Developer programme, supported by The Hg Foundation, SEO aim to address imbalances within the technology industry and raise the percentage of students from minority groups effectively competing for entry-level roles in the tech world.

Tech Developer is an intensive immersion and training programme focused on eliminating the exposure and preparation gaps facing underrepresented students. In partnership with Codio, a cloud-based platform for high quality computing education and tech skills development, SEO has curated a customised curriculum that hones minority students' existing tech skills. Participants will take part in both individual and team-based projects that focus on solving problems through software development.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The programme provides sustained exposure to industry professionals, educators and recruiters through seminars, coaching and mentoring with senior tech executives, as well as access to tech firms for internships.

Applicants must identify as Black, Latinx or Native American, be enrolled as a sophomore at an accredited, four-year US college or university studying Computer Science, Computer Engineering or related STEM subjects and have basic proficiency in one or more programming languages.

The first cohort of 62 students, recruited last year, took part in pre-work projects in April 2021 and a 6-week virtual summer residency in June 2021, which resulted in 54 internship placements. The second cohort of 79 was recruited at the start of 2022.

Target KPIs over the course of the programme are for a 90% placement rate for internships within the first 12 months of the programme, 80% placement for full time roles within the first 24 months and an intent to scale the programme by 50% in the next 36 months.

The overall success of the programme will be measured by a combination of progression and attainment metrics. Participants will be evaluated using HackerRank - a widely used tech industry assessment tool where developers compete to programme according to provided specifications. These evaluations will occur at the beginning and end of the programme to measure how students have progressed in their technical skill levels. SEO will also track the number of students who obtain internships or employment with technology firms and will benchmark across SEO's other programmes to track the success of the Tech Developer programme specifically.

upReach Tech500

Size of Grant: £1,999,604 over 3 years

Number of students who received intensive support: 500 over 3 years

Target number of students with access to digital skills training: 2,500 over 3 years

The vision of upReach is that everybody has an equal opportunity to realise their full career potential, regardless of social background. The charity helps young people achieve this by providing intensive and highly structured support that address socio-economic barriers to employment.

The Hg Foundation supports Tech500, a tailored programme across 3 years for 500 undergraduate students from less advantaged backgrounds who are looking to secure graduate roles in the technology sector. Through close collaboration with leading technology employers, upReach delivers comprehensive and exclusive training, networking and development opportunities aimed at narrowing the progression gap between graduates from working class backgrounds and their more privileged peers. By working with top technology organisations, upReach also work to influence hiring behaviours to support them in their commitment to equal opportunity and diversity within the workplace.

As at April 2022, 325 students across four cohorts and from 55 unique universities were enrolled on the Tech500 programme, in line with the core programme KPI of 500 enrolled students by December 2022.

In 2021/22, 1,081 applications were made by 230 Associates on the programmes to graduate roles or internships. As of April 2022, 37% of Associates had secured a role and 68% of successful applications were in tech roles or in the tech sector. A further 54 students graduated from the programme in summer 2022. As at April 2022, 43% of these have made a successful application to either a graduate role or a post-graduate internship.

Alongside Tech500, upReach run targeted digital skills training - "Digital Skills Builder" - which will be available to a further 2,500 upReach Associates from lower socio-economic backgrounds all over the UK. This includes video forums, speaker series, e-courses and video tutorials across eight core skills including programming and web development, cloud computing, digital marketing and data analysis and visualisation.

The Foundation is working with upReach on how best to evaluate its overall impact and that of the Tech500 specifically, building on the analysis the charity has already undertaken.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Generation Plus; Ton Emploi

Size of Grant: £1,000,823 over 3 years

Number of learners receiving support: 3,000-3,500

Generation France was launched in 2018 and aims to bridge the gap between the many employers who struggle to recruit entry level talent and French youth from disadvantaged backgrounds who are not in any form of training or employment.

The collaboration between The Hg Foundation and Generation France aims to reach 3,000 unemployed or underemployed learners in France between 2021-2023 by expanding two existing employability programmes – around Digital Customer Care and Junior Full Stack Developer roles - and developing three new ones in tech-related roles. The new programmes will be identified because the roles represent areas of jobs growth; have entry level requirements suitable to the target demographic; and provide good career prospects initially and in the medium term.

Additionally, The Hg Foundation's funding is intended to support the building out of Generation's third-party impact evaluation process and to create a Return On Investment (RoI) fact base for employers, both of which will be led by Generation's global data and impact team and external experts. The goal of this work is to provide evidence to shape policy change in France and to show employers and government the validity of programmes such as Ton Emploi.

Since inception the programme has trained 406 learners, with an 83% graduation rate, and placed 82% of them in a paid job within three months of program completion. The team also launched one new employment programme and initiated a third-party impact evaluation study, which will include work to articulate the programme's RoI. While outcomes have been successful for those on the programme, recruitment has been challenging and numbers are below target. Over the course of the next year, the programme will be adapting to changes to the context in which it is operating, particularly new state-led initiatives in France which have impacted the number of referrals of young people from government employment offices. The Hg Foundation will be working closely with Generation on revised objectives for its grant.

Merit America; Data and Evaluation Program

Size of Grant: \$500,000 over 3 years

Merit America is a US not for profit that supports unemployed adults, and those earning low wages, into higher salary tech roles. The programme provides flexible pathways which combine training for in-demand careers with coaching and peer support, at no upfront cost to the participants. To recruit target learners, Merit partners with organisations which serve low-income workers and those who are unemployed. Its programmes combine in person activity with online learning to create cost effective interventions. Merit connects with firms such as Google, Amazon and IBM to connect its participants to appropriate entry-level positions which, on average, pay \$19,000 a year more than their prior jobs, therefore promoting economic-mobility.

The Hg Foundation's grant will support the data, analytics and evaluation capacity of Merit America. This will help the organisation to better track participant outcomes, analyse its operations, implement programme improvements, improve its reporting to donors and strengthen its fundraising and marketing materials. In turn, this will help to underpin the growth of the organisation from the 1,800 students it was reaching at the start of the partnership to 40,000 by 2026.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Technical University of Munich (TUM); MINT-Impulse an der Schule

Size of Grant: €750,000 over 3 years

Number of learners receiving support: 600 per year

The Hg Foundation supports MINT-Impulse an der Schule alongside the Technical University of Munich. The project aims to reach 600 girls and young women per year aged 14-16 at schools from rural areas across Bavaria, focused on those facing barriers to access extracurricular programmes because of a lack of resources or isolation. Its ultimate aim is to encourage more girls to pursue further study in mathematics, information technology, natural sciences and technology (MINT – similar to STEM in a UK context), by providing practical and inspirational enrichment activities and breaking down gender stereotypes.

Female instructors from the university work on research projects, side-by-side with the students for one school day, offering hands-on exposure to the research field whilst also providing much needed role models. Students receive preparation beforehand to make the most of their time with the instructors and the programme is completed by an online-follow-up signposting further opportunities.

The programme will launch in September 2022, targeting c10 schools and offering five courses per school for c.12 students each. The practical on the ground work is being accompanied by a longitudinal study to track the impact of the programme over the long term, including outcomes such as progression to careers in MINT areas and future salary levels, compared to similar students who did not participate in the programme.

The Technical University of Munich (TUM) was chosen as a partner by the Hg Foundation as it is one of Europe's top universities, regularly rated among the best European universities in international rankings and is one of the most renowned technical universities worldwide. Its main campuses span several large sites in Bavaria and southern Germany, which are also home to the TUM Schools and Departments and the target schools for the MINT-Impulse programme.

In addition to the above multi-year flagship grants, in the year the Foundation has also supported a research project by the Education Policy Institute (EPI) considering the supply of, and demand, for technical and vocational qualifications in digital skills in the 16-18 phase in England. The research is intended to inform the future work of the Foundation and others in this space, but also to make an impact on the wider system. The analysis is exploring issues such as the availability and take-up of qualifications in digital skills; the demand for qualifications amongst employers; and the capacity of further education colleges in particular to provide these qualifications. The research will be released towards the end of 2022.

In the coming year the Hg Foundation is also supporting an ambitious research project developed by our partners at Generation in the USA, to gain an insight into current employment trends in the technology sector. The study will survey unemployed people seeking entry level technology jobs, employed people in entry level and intermediate technology jobs, hiring managers for technology roles, and unemployed people pursuing non-technology entry level roles. The sample will be drawn from across eight countries (Brazil, Canada, France, Germany, India, Mexico, UK and the US). The research will aim to identify 'micro-interventions' that stakeholders (for example employers and policymakers) can make to support under-represented communities to access and thrive in entry-level tech jobs, and to inform the debate in the tech industry and amongst policymakers about globally-relevant solutions to increasing the supply and diversity of talent in the sector. The Foundation will also consider trialing the impact of programmes that emerge from the research across a number of employer partners.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Monitoring achievement

The Foundation defines clear intermediate and end-point goals for each grant, in collaboration with its partners. For direct delivery grants, these typically relate to measures such as participation targets; activity outcomes such as improved knowledge, skills and confidence; intermediate outcomes such as results and attainment; and longer-term outcomes, for example progression to higher education, internship and career placements. We are also working with our partners to help build an understanding of the counter-factual – what would likely have happened to these learners anyway, without any additional support – for example through comparison groups, quasi-experimental designs and exploring randomised control trials.

Alongside quantitative measurements like predicted grades and outcomes derived from administrative datasets, each assessment will also include qualitative methods to explore personal perceptions, confidence and future expectations. As the work of the Foundation grows, these findings will be triangulated in order to provide greater detail and understanding, both to ensure ongoing improvements can be made to continuously refine and improve the content of each of our partner programmes, but also to ensure that the work of these programmes is properly identified and understood and so that the learnings can be shared more broadly in order to effect greater change.

Fundraising

Hg Foundation does not undertake any fundraising activities from the general public. At present its sole source of income is from HgCapital LLP.

Related Parties

In accordance with its constitution, the majority of the trustees are employees or partners of the Foundation's donor, HgCapital LLP. There are three independent Trustees: Thomas Attwood, Sir Kevan Collins and Richard Donner. Thomas Attwood and Richard Donner were previously partners in HgCapital LLP.

Financial review

The charity's results for the period are set out in the Statement of Financial Activities on page 15.

The charity had net outgoing resources on unrestricted funds of £757,583 (2021: net incoming resources of £3,911,344), comprising income of £1,474,090 (2021: £4,576,315) and expenditure of £2,231,673 (2021: £664,971). Funds brought forward from the previous year, which was also the charity's first year of operation, amounted to £3,911,344. Income was solely derived from donations of profit and carried interest from HgCapital LLP.

As shown in note 13 to the accounts, the charity's funds are mainly held in cash.

Investment policy and performance

The financial objective of the CIO is to at least maintain the real value of its assets.

It will have the ability to invest excess cash on a conservative basis to protect cash balances prior to distribution and is aiming to provide a well-balanced portfolio of investments. It will adhere to a reserves policy (as set out below).

The CIO may also decide on a case-by-case basis to make social investments in support of its mission. A "social investment" means a relevant act of charity which is being carried out "with a view to both directly furthering the charity's purposes and achieving a financial return for the charity". The CIO recognises these investments may have a relatively higher risk reward profile, and which should be considered in a broader portfolio construction / asset allocation strategy.

The trustees of the CIO have the final decision-making power for any financial investment matters but have delegated or will delegate to an investment committee (the "Investment Committee") to review and make recommendations to the trustees. The Investment Committee are charged with agreeing a suitable asset allocation strategy which is set so as to achieve the overall CIO investment objective.

HG FOUNDATION

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Internal controls and risk management

The Trustees have responsibility for ensuring that the Foundation has in place an appropriate system of controls, financial or otherwise, to provide reasonable assurance that it is operating effectively and in line with Charity Commission guidelines.

The systems of financial control are reviewed regularly and have been refined where necessary during the reporting period to provide reasonable assurance against material misstatement or loss.

The Trustees review the risks faced by the Foundation in Autumn each year. The main risks identified at the last review lie in the operational risks from ineffective grant making and the capacity of the Foundation to make effective grants. Notable risks identified include:

- Risk of grant recipients mismanaging or fraudulently using funds donated to them. To mitigate this, there is a robust due diligence process ahead of allocation of any grants which is led by a Foundation trustee, all grant recipients are expected to adhere to grant making policy stipulations, a grant agreement is signed by both parties and a grant monitoring process is in place which includes regular financial reporting by the grant recipient.
- HgCapital LLP is the primary funder of The Hg Foundation – the exact amounts donated are subject to HgCapital LLP funds hitting targets and timelines. There is a risk that if HgCapital LLP funds do not hit expected targets and forecasted budgets the funding for the Foundation will be reduced or delayed. To mitigate this risk, the Foundation's forecasted budget is cautious and is provided by the HgCapital LLP finance team, who update it on a regular basis.
- External / macro events pose a potential risk to HgCapital LLP's business (i.e. Hg Foundation's primary funding source) due to impact on the global economic and political environment. The HgCapital LLP finance team and Hg Foundation Trustees regularly monitor budgets and where necessary will explore alternative funding sources.

Reserves policy

The Trustees meet at least quarterly to review the strategy, budgets, operating plans and forecasts for the forthcoming year. They consider contracted cashflows and unrestricted reserves versus contracted grant commitments. On this basis, they aim to ensure that there are sufficient funds available to meet grant commitments for the following 12 months plus operational costs. Contracted cashflows are based on the Foundation's share of contracted profit from HgCapital LLP during the subsequent financial year. The Foundation's share of carried interest is only recognised on receipt. The Trustees consider this to be a conservative approach.

On this basis, commitments for the forthcoming 2023 financial year (including the social investment in Cornerstone) total £3.7m. At 31 March 2022 the Foundation held £3.15m in unrestricted reserves with forecast, contracted cashflows from HgCapital LLP in 2022-23 of £3.4m.

The trustees therefore consider the reserves policy to be met satisfactorily

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Plans for the future

The Foundation will continue to work with current partners and explore ways to share the knowledge and use the learnings from these programmes to effect change within education and specifically to improve employment prospects for those from disadvantaged backgrounds within the technology industry. The Trustees have also recruited a full time Chief Executive to help take forward the work of the Foundation, providing additional support to our partners, assisting in building the pipeline of future grants, assimilating and communicating learnings and refining its future strategy. The central focus of the Foundation will remain, as will its focus on a smaller number of substantial and longer-term partnerships, which can benefit from the particular expertise and assets of the Foundation and HgCapital LLP more widely.

Following the end of this reporting period, after considerable due diligence The Hg Foundation has made a social investment of £3.5m over a number of years in Cornerstone VC, which will invest in UK tech-enabled businesses at pre-seed and seed stage led by diverse teams. Cornerstone VC will look to adopt a people-first and diversity-focused strategy – backing senior teams that combine both inherent diversity (such as age, gender or ethnicity) with acquired diversity (social capital). This will support the creation and build-up of experience of socially diverse leadership teams in the Tech industry and help to create a more diverse employment base in Tech. The trustees view these aims as in line with the Trust's objectives of widening access to the technology sector for under-represented groups which face additional barriers.

Structure, governance and management

Governing Document and Constitution

The Hg Foundation was incorporated on 27th April 2020. The Foundation is a Charitable Incorporated Organisation and a registered charity (number 1189216). Its governing document is its Constitution.

Trustees – Appointment, Induction and Training

New Trustees are appointed by a resolution passed at a meeting of the existing Foundation Trustees or by written resolution, such a resolution shall be effective only if at least half of the current Foundation Trustees have voted in its favour. The constitution allows for a minimum of 3 Trustees and a maximum of 10 Trustees, at any given time at least 2 Trustees must not be officers, partners or employees of HgCapital LLP or Hg Advisory GmbH & Co. KG.

On appointment, new Trustees sign a trustee declaration statement committing them to giving of their time and expertise. They are made aware of their legal obligations under Charity Law, the decision-making process of the Foundation, key policies and procedures, its strategic aims and recent performance. New Trustees are provided with a copy of the current version of the Constitution and a copy of the latest statement of accounts.

Organisation

At the bi-monthly trustee meetings, the Trustees discuss areas of activity such as grant making, performance against objectives and a review of budget and cashflow forecasts. The due diligence process prior to a grant commitment is run by a nominated trustee who will bring a proposal to the full trustee board for final approval.

At annual strategy meetings, the Trustees meet to discuss overall strategy, performance, annual budget and to determine how best to direct its resources to meet its objectives.

Key management personnel remuneration

The Trustees consider the board of Trustees as comprising the key management personnel of the Foundation in charge of directing and controlling the Foundation and running and operating the Foundation on a day-to-day basis. All Trustees give of their time freely and no trustee remuneration was paid in the period.

In accordance with the Foundation's Conflict of Interest Policy, Trustees are required to declare and register any personal interests, business interests or other direct or indirect interests that might potentially conflict with their duties as a Trustee and absent themselves from decisions where a conflict of interest arises.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 CIO and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the CIO will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the CIO's transactions and disclose with reasonable accuracy at any time the financial position of the CIO and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

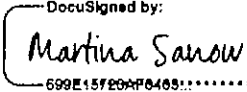
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

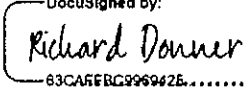
- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, RPG Crouch Chapman LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees

Approved by order of the members of the board of Trustees and signed on their behalf by:

DocuSigned by:

699E15F20A7F0485.....
Anna Martina Sanow

DocuSigned by:

83CA5FBC996942E.....
Richard Donner

Date: 13/01/2023

HG FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HG FOUNDATION

Opinion

We have audited the financial statements of Hg Foundation (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

In our evaluation of the Trustees' conclusions, we considered the risks associated with the charity's business model, including the effects arising from macro-economic uncertainties such as COVID-19 and analysed how those risks might affect the charity's financial resources or ability to continue operations over the period of twelve months from the date when the financial statements are authorised for issue. In accordance with the above, we have nothing to report in these respects. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the charity will continue in operation.

HG FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HG FOUNDATION (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Capability of the audit to detect irregularities including fraud

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud. These included, but were not limited to, compliance with the Charities Act 2011 and FRS102.

We designed audit procedures to respond to the risk, 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.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management;
- review of minutes of board meetings throughout the period; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

There are inherent limitations in the audit procedures described above and the further removed noncompliance 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 also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

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 Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; 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.

HG FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HG FOUNDATION (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor 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 an Auditors' 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charity'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 charity'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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



RPG Crouch Chapman LLP
14-16 Dowgate Hill
London
EC4R 2SU

Date: 18/01/2023

RPG Crouch Chapman LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

HG FOUNDATION**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

| | | Unrestricted funds 2022 £ | Total funds 2022 £ | <i>As restated Total funds 2021 £</i> |
|------------------------------------|-------------|--|---------------------------------------|---|
| | Note | | | |
| Income from: | | | | |
| Donations and legacies | 4 | 1,474,090 | 1,474,090 | 4,576,315 |
| Total income | | <u>1,474,090</u> | <u>1,474,090</u> | <u>4,576,315</u> |
| Expenditure on: | | | | |
| Charitable activities | 6 | 2,231,673 | 2,231,673 | 664,971 |
| Total expenditure | | <u>2,231,673</u> | <u>2,231,673</u> | <u>664,971</u> |
| Net movement in funds | | <u>(757,583)</u> | <u>(757,583)</u> | <u>3,911,344</u> |
| Reconciliation of funds: | | | | |
| Total funds brought forward | | 3,911,344 | 3,911,344 | - |
| Net movement in funds | | (757,583) | (757,583) | 3,911,344 |
| Total funds carried forward | | <u>3,153,761</u> | <u>3,153,761</u> | <u>3,911,344</u> |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 28 form part of these financial statements.

HG FOUNDATION**BALANCE SHEET
AS AT 31 MARCH 2022**

| | Note | 2022 £ | 2021 £ |
|--|------|-------------------------|-------------------------|
| Current assets | | | |
| Debtors | 10 | 778,660 | 735,355 |
| Cash at bank and in hand | 15 | 2,927,682 | 3,384,021 |
| | | <u>3,706,342</u> | <u>4,119,376</u> |
| Creditors: amounts falling due within one year | 11 | (552,581) | (208,032) |
| Net current assets | | <u>3,153,761</u> | <u>3,911,344</u> |
| Total net assets | | <u><u>3,153,761</u></u> | <u><u>3,911,344</u></u> |
| Charity funds | | | |
| Restricted funds | 12 | - | - |
| Unrestricted funds | 12 | 3,153,761 | 3,911,344 |
| Total funds | | <u><u>3,153,761</u></u> | <u><u>3,911,344</u></u> |

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

DocuSigned by:

Martina Sanow

690E15728AF0403.....

Anna Martina Sanow

Date: 13-Jan-2023

DocuSigned by:

Richard Donner

63CAFFBC9969425.....

Richard Donner

13-Jan-2023

The notes on pages 18 to 28 form part of these financial statements.

HG FOUNDATION**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

| | 2022 | 2021 |
|---|------------------|------------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net cash used in operating activities | (456,339) | 3,384,021 |
| Cash flows from investing activities | | |
| Net cash provided by investing activities | - | - |
| Cash flows from financing activities | | |
| Net cash provided by financing activities | - | - |
| Change in cash and cash equivalents in the year | (456,339) | 3,384,021 |
| Cash and cash equivalents at the beginning of the year | 3,384,021 | - |
| Cash and cash equivalents at the end of the year | 2,927,682 | 3,384,021 |

The notes on pages 18 to 28 form part of these financial statements

HG FOUNDATION

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

1. General information

The Charity is a CIO registered with the Charity Commission in England and Wales, charity number 1189216. Its registered address is 2 More London Riverside, London, SE1 2AP.

The principal activities of the CIO is to support skill development for the modern job market and contribute to improved, quality employment prospects for those who may otherwise experience barriers to access.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The trustees confirm their explicit and unreserved compliance with the above legislation.

Hg Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The accounts have been prepared in Sterling and all amounts are rounded to the nearest £.

2.2 Going concern

Based on their assessment of the twelve months from the date on which the balance sheet was signed, the Trustees are of the opinion that the charity is a going concern as the charity holds significant cash reserves and the accounts have therefore been prepared on the going concern basis.

2.3 Income

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

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

HG FOUNDATION

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

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

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

All expenditure is inclusive of irrecoverable VAT.

2.5 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.6 Debtors

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

2.7 Cash at bank and in hand

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

2.8 Liabilities and provisions

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

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

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

HG FOUNDATION

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

2. Accounting policies (continued)

2.9 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.10 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. There are no designated funds at the year end.

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The trustees are of the opinion that none of the estimates made result in a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, however, they are of the opinion that the following estimates are significant accounting estimates used in the financial statements:

Accruals

Material accruals are included for project funding for which an obligation to pay exists. The amounts are based on best estimates of the amounts which will be due and payable in the future. Accruals of lower values comprise expected costs for expenditure to be invoiced in the future and is based on best estimates or invoices received after the year end.

Accrued income

Provisions are made for income relating to the year which is expected to be received after the year end. The figure is based on best estimates or communication received after the year end.

HG FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022****4. Income from donations and legacies**

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|-----------|--|---------------------------------------|
| Donations | 1,474,090 | 1,474,090 |

| | <i>Unrestricted funds 2021 £</i> | <i>Total funds 2021 £</i> |
|-----------|--|---------------------------------------|
| Donations | 4,576,315 | 4,576,315 |

5. Analysis of grants

| | Grants to Institutions 2022 £ | Total funds 2022 £ |
|---------------------------------|--|---------------------------------------|
| Grants for educational projects | 2,213,839 | 2,213,839 |

| | <i>Grants to Institutions 2021 £</i> | <i>Total funds 2021 £</i> |
|---------------------------------|--|---------------------------------------|
| Grants for educational projects | 646,186 | 646,186 |

HG FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

| | 2022 £ | 2021 £ |
|---|------------------|----------------|
| Analysis of grants made | | |
| The Online Tutoring Pilot – Impetus | - | 50,000 |
| Imperial College London: A-Level Further mA*ths Online Programme | 290,000 | 270,217 |
| Generation Plus: Ton Emploi | 368,043 | - |
| Technical University of Munich (TUM); MINT-Impulse an der Schule | 262,662 | - |
| Merit America; Data and Evaluation Program | 209,977 | - |
| upReach Tech 500 | 655,648 | - |
| Education Policy Institute | 25,200 | - |
| The Tutor Trust – Hybrid Tutoring Pilot | - | 100,000 |
| Laptop Donations | 3,806 | 16,242 |
| SEO Sponsors for Educational Opportunity – Tech Developer Programme | 409,072 | 113,880 |
| Charity Committee – Impetus | - | 15,000 |
| Other | (10,569) | 80,847 |
| | 2,213,839 | 646,186 |

6. Analysis of expenditure on charitable activities**Summary by fund type**

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|---------------------------------|------------------------------------|-----------------------------|
| Grants for educational projects | 2,213,839 | 2,213,839 |
| Administration of the charity | 17,834 | 17,834 |
| | 2,231,673 | 2,231,673 |
| | | |
| | Unrestricted funds 2021 £ | Total funds 2021 £ |
| Grants for educational projects | 646,186 | 646,186 |
| Administration of the charity | 18,785 | 18,785 |
| | 664,971 | 664,971 |

HG FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022****7. Analysis of expenditure by activities**

| | Grant funding of activities 2022 £ | Support costs 2022 £ | Total funds 2022 £ |
|-------------------------------|---|---|---------------------------------------|
| Educational projects | 2,213,839 | - | 2,213,839 |
| Administration of the charity | - | 17,834 | 17,834 |
| | <u>2,213,839</u> | <u>17,834</u> | <u>2,231,673</u> |

| | Grant funding of activities 2021 £ | Support costs 2021 £ | Total funds 2021 £ |
|-------------------------------|---|---|---------------------------------------|
| Educational Projects | 646,186 | - | 646,186 |
| Administration of the charity | - | 18,785 | 18,785 |
| | <u>646,186</u> | <u>18,785</u> | <u>664,971</u> |

Analysis of support costs

| | Total funds 2022 £ | Total funds 2021 £ |
|---------------|---------------------------------------|---------------------------------------|
| Audit Fees | 10,620 | 10,200 |
| Bank charges | 314 | 249 |
| Events | 2,604 | - |
| General admin | 1,160 | - |
| Insurance | 554 | - |
| Legal Fees | 2,582 | 8,218 |
| Other Costs | - | 76 |
| Subscriptions | - | 42 |
| | <u>17,834</u> | <u>18,785</u> |

HG FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022****8. Auditors' remuneration**

| | 2022 £ | 2021 £ |
|--|-----------|-----------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | 10,620 | 10,200 |

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

Key management comprises the trustees who give their time freely, and key management remuneration is therefore Nil. There is no paid staff.

During the year ended 31 March 2022, no Trustee expenses have been incurred (2021 - £NIL).

10. Debtors

| | 2022 £ | 2021 £ |
|--------------------------------|----------------|----------------|
| Due within one year | | |
| Prepayments and accrued income | 778,660 | 735,355 |
| | <u>778,660</u> | <u>735,355</u> |

11. Creditors: Amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------|-----------|-----------|
| Accruals and deferred income | 552,581 | 208,032 |

HG FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022****12. Statement of funds****Statement of funds - current year**

| | Balance at 1 April 2021 £ | Income £ | Expenditure £ | Transfers in/(out) £ | Balance at 31 March 2022 £ |
|---|---------------------------------|-------------------------|---------------------------|----------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| Designated funds | | | | | |
| SEO Sponsors for Educational Opportunity – Tech Developer Programme | 1,111,890 | - | (409,072) | (702,818) | - |
| Imperial College London: A- Level Further mA*ths Online Programme | 569,783 | - | (290,000) | (279,783) | - |
| | <u>1,681,673</u> | <u>-</u> | <u>(699,072)</u> | <u>(982,601)</u> | <u>-</u> |
| General funds | | | | | |
| General Funds - all funds | <u>2,229,671</u> | <u>1,474,090</u> | <u>(1,532,601)</u> | <u>982,601</u> | <u>3,153,761</u> |
| Total Unrestricted funds | <u><u>3,911,344</u></u> | <u><u>1,474,090</u></u> | <u><u>(2,231,673)</u></u> | <u><u>-</u></u> | <u><u>3,153,761</u></u> |

HG FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022****12. Statement of funds (continued)****Statement of funds - prior year**

| | <i>Income</i> £ | <i>Expenditure</i> £ | <i>Transfers</i> <i>in/(out)</i> £ | <i>Balance at</i> <i>31 March</i> <i>2021</i> £ |
|--|-------------------------|-------------------------|--|--|
| Unrestricted funds | | | | |
| Designated funds | | | | |
| SEO Sponsors for Educational Opportunity – Tech Developer Programme | - | - | 1,111,890 | 1,111,890 |
| Imperial College London: A-Level Further mA*ths Online Programme | - | - | 569,783 | 569,783 |
| | <u>-</u> | <u>-</u> | <u>1,681,673</u> | <u>1,681,673</u> |
| General funds | | | | |
| General Funds | <u>4,576,315</u> | <u>(664,971)</u> | <u>(1,681,673)</u> | <u>2,229,671</u> |
| Total Unrestricted funds | <u><u>4,576,315</u></u> | <u><u>(664,971)</u></u> | <u><u>-</u></u> | <u><u>3,911,344</u></u> |

HG FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022****13. Analysis of net assets between funds****Analysis of net assets between funds - current year**

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------|--|---------------------------------------|
| Current assets | 3,706,342 | 3,706,342 |
| Creditors due within one year | (552,581) | (552,581) |
| Total | 3,153,761 | 3,153,761 |

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2021 £</i> | <i>Total funds 2021 £</i> |
|-------------------------------|--|---------------------------------------|
| Current assets | 4,119,376 | 4,119,376 |
| Creditors due within one year | (208,032) | (208,032) |
| Total | 3,911,344 | 3,911,344 |

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

| | 2022 £ | 2021 £ |
|--|-------------------|-------------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | (757,583) | 3,911,344 |
| Adjustments for: | | |
| Increase in debtors | (43,304) | (735,355) |
| Increase in creditors | 344,549 | 208,032 |
| Net cash provided by/(used in) operating activities | (456,338) | 3,384,021 |

HG FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022****15. Analysis of cash and cash equivalents**

| | 2022 £ | 2021 £ |
|--|------------------|------------------|
| Cash in hand | 2,927,682 | 3,384,021 |
| Total cash and cash equivalents | 2,927,682 | 3,384,021 |

16. Analysis of changes in net debt

| | At 1 April 2021 £ | Cash flows £ | At 31 March 2022 £ |
|--------------------------|-------------------------|------------------|--------------------------|
| Cash at bank and in hand | 3,384,021 | (456,339) | 2,927,682 |
| | 3,384,021 | (456,339) | 2,927,682 |

17. Related party transactions

During the year ended 31 March 2022, the charity received donations of £1,474,090 (2021: £4,576,315) from HgCapital LLP. The charity is connected to HgCapital LLP through its trustees as follows:

Trustees Anna Martina Sanow, Richard Earnshaw and Caroline Lofgren are employees of HgCapital LLP or its associated companies in Munich and New York. Gero Wittemann and Cornelius Becker (who resigned as trustees in September 2022) were also employed by HgCapital LLP. New trustees Robbie Citrino, Juan Campos and Genyi Zhao are also employees of HgCapital LLP.