

Registered number: 12588358
Charity number: 1189865

IDEA FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

IDEA FOUNDATION
(A Company Limited by Guarantee)

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IDEA FOUNDATION
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 31 MARCH 2021**

Trustees	Arjuna Gihan Fernando MBE, Trustee (appointed 6 May 2020) Richard William James Parry, Trustee (appointed 6 May 2020) Professor Robert Anthony Cryan CBE FIET, Trustee (appointed 6 May 2020)
Company registered number	12588358
Charity registered number	1189865
Registered office	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH
Independent auditors	Peters Elworthy & Moore Chartered Accountants Statutory Auditors Salisbury House Station Road Cambridge CB1 2LA

IDEA FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 MARCH 2021

The Trustees present their annual report together with the audited financial statements of the Company for the period 6 May 2020 to 31 March 2021. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

Policies and objectives

The object of the Charity is to advance the education of the public in general, in particular in the subjects: digital technologies; and enterprise and entrepreneurship; in such ways as the charity trustees think fit, including by providing online tools to develop skills in these and related subjects.

The Trustees have reviewed iDEA Foundation's objectives, activities and achievements for the year and are satisfied that iDEA Foundation has complied with the requirements of public benefit reporting as set out in the Charity Commission's General Guidance on Public Benefit, to which they have had regard.

Activities undertaken to achieve objectives

iDEA has continued developing and maintaining the infrastructure of the platform (iDEA.org.uk) to deliver a scalable, sustainable, secure, fully compliant platform, which is responsively designed and works on all modern devices, operating systems and browsers.

iDEA is enabling people to learn, and evidence their achievements with digital badges for free. To ensure that iDEA learners are provided with a blend of digital and technical, personal, and professional skills directly related to the needs of employers and jobs of the future, we have continued to collaborate with a growing group of industry experts and innovative employers to create content (badges) that sit within iDEA's core categories and support learners of all ages, at all stages of life.

This year, 10 new Bronze level badges were published on iDEA.org.uk covering topics such as digital careers and career pathways, crisis management, growth mindset, artificial intelligence, working and learning from home, and, interview readiness. iDEA has also carried out extensive research and analysis in preparation for developing the Gold Award.

Considerable work has been put in to migrate badges hosted by badge partners, over to iDEA. The team is also now working to define and create a new consistent structure to help make badge building and maintenance more efficient and manageable going forwards.

iDEA delivered significant enhancements to its learner management portal to better serve educators and facilitators that are supporting groups of learners on iDEA. The enhancements were rapidly deployed during the first Covid-19 lockdown in the UK and the feedback so far has been very positive. Thousands of organisations are now making use of the portal to manage small and large groups of learners including other charities, local authorities, schools, colleges, universities, job centers, libraries, businesses, and community groups.

Several partnership opportunities have been explored this year and iDEA has accelerated the development of plans to generate a diverse funding stream for the project, to build up the long-term sustainability of the Charity and eventually reduce its reliance on grant funding.

IDEA FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Achievements and performance

Review of activities

iDEA now has an extensive reach across the UK, and globally. The number of learners engaging with the platform has grown substantially; more than 350,000 new learners joined iDEA.org.uk in the 12-month period and iDEA's network of engaged partners, employers and facilitators has also grown considerably, leading to increased recognition and adoption of iDEA in education and employment.

iDEA reached two major milestones in the 12-month period:

- 1 million learners registered on iDEA.org.uk
- 5 million iDEA badges achieved

On the 31st March 2021, in total:

- 7.4 million iDEA badges have been achieved
- More than 1 million learners are registered on the platform
- 90,000 iDEA Awards have been achieved

The project itself achieved the following awards and recognitions:

- High Commendation in the Learning Excellence Awards 2021.
- Finalist in the AWS City on a Cloud: Quality of Life Award 2020.
- iDEA was shortlisted for two Learning Technologies Awards in 2020 and won the Bronze Award in the category of Learning Organisation of the Year.

Fundraising activities and income generation

The Charity does not generally fundraise from the public and does not use professional fundraisers. The Charity follows the guidance laid down by the Fundraising Regulator. The trustees are committed to adhering to all of these regulations, following the Institute of Fundraising's Code of Practice and complying with the key principles embodied in this Code. We work hard to ensure that all fundraising activities are legal, open, honest and respectful.

Financial review

Going concern

The Trustees have reviewed budgets and forecasts prepared by management for the period to 31 March 2023. After making appropriate enquiries, and considering the ongoing impact of COVID-19, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

The Trustees are currently considering a suitable reserves policy for the Charity following its first period of account. At the year end the Charity had total reserves of £369,470 all of which were unrestricted.

IDEA FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Result for the year

The Charity was incorporated in May 2020 to continue the activities of iDEA CIC. In its first period of account the Charity received total income of £571,383. Total income includes grant income from existing partners of £502,737 of which £262,736 was transferred from iDEA CIC under existing agreements with a further £240,000 received during the period. These grants are unrestricted.

In addition, the Charity recognised restricted grant income from Innovate UK following the transfer of an existing grant from iDEA CIC. Total income from this grant amounted to £50,240.

The Charity continued to work with partners to develop its programmes and digital badges and income from these activities amounted to £62,600.

Total expenditure in the year amounted to £251,882.

On 7 December 2020 the Charity acquired the entire issued share capital of iDEA CIC. Subsequent to the year end, on 15 April 2021 all remaining trade and assets were transferred from iDEA CIC to Idea Foundation and the CIC ceased activities and entered strike off procedures. The investment of £1 was written down to £NIL at 31 March 2021.

The net income for the year was £369,740.

Principal risks and uncertainties

The Trustees have a policy in place for risk management which is reviewed on an annual basis. The principal risks are considered to be

Risk: Charitable Programmes - Changing external environment for the delivery of programmes, including the continued uncertainty and impact to beneficiaries, partners and grantees caused by the Covid-19 pandemic

Mitigation - Long-term view and flexible approach taken with partners and grantees. During the pandemic additional support was made available to partners and grantees

Risk: Intellectual Property (IP), Brand and Reputation - Damage to brand and reputation due to activities of others

Mitigation - Formal agreements with partners for use of IP, clear statements of copyright ownership and use

The Trustees have assessed the major risks to which the Company is exposed, in particular those related to the operations and finances of the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Structure, governance and management

Constitution

iDEA Foundation was registered as a charitable company limited by guarantee on 6 May 2020, number 12588358, and is also registered with the Charity Commission, number 1189865. The Charity is governed by Articles of Association. The Charity is also known as iDEA or Inspiring Digital Enterprise Award.

IDEA FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2021

Structure, governance and management (CONTINUED)

Methods of appointment or election of Trustees, organisational structure and decision-making policies

The Board of Trustees ("the Board") is legally responsible for the governance, policy and decision making at the highest level. Under the Articles of Association, Trustees are appointed by the Board.

• **Policies adopted for the induction and training of Trustees**

The Board has actively considered the skills base of the existing Board and reviewed Trustee training needs. There is a full induction process in place and a set of annually reviewed policies and procedures. Trustees are also advised of, and encouraged to attend, seminars run by various professional bodies, on topics that may be of interest.

Plans for future periods

Over the next 12 months, the team is focusing on growing iDEA's outreach with socially disadvantaged people in the UK, ensuring the sustainability of the programme, designing, and developing the Gold Award, and building greater employer recognition for iDEA Awards.

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.

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

Bob Cryan

Professor Robert Anthony Cryan CBE FIET

Trustee

Date: 17 December 2021

IDEA FOUNDATION
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 31 MARCH 2021

The Trustees (who are also the directors of the Company for the purposes of company law) 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).

Company law requires the Trustees to prepare financial statements for each financial period. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company 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 judgements 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Bob Cryan

Professor Robert Anthony Cryan CBE FIET

Trustee

Date: 17 December 2021

IDEA FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IDEA FOUNDATION

OPINION

We have audited the financial statements of iDEA Foundation (the 'charitable company') for the period ended 31 March 2021 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 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 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.

IDEA FOUNDATION
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IDEA 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the 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.

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Audit procedures performed by the engagement team to identify and assess the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, were as follows:

- Identification of the laws and regulations which were significant in the context of the Charity through discussions with Trustees and other management, and from our commercial knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements, including the Charities Act 2011, Companies Act 2006 and taxation legislation;
- We obtained an understanding of the Charity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance.

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of fraud through management bias and override of controls. In addressing the risk of fraud through management override of controls we:

- Tested the appropriateness of journal entries and other adjustments;
- Designed procedures to identify unexpected and unusual journal entries and performed testing to confirm the validity of such postings;
- Assessed whether the significant accounting judgements and estimates made in the financial statements, as detailed in the principal accounting policies, were indicative of potential bias; and
- Evaluated the business rationale of any significant transactions that were unusual or outside the normal course of business.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance; and
- Enquiring of management as to actual and potential litigation and claims.

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

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Hewett

Michael Hewett (Senior Statutory Auditor)

for and on behalf of

Peters Elworthy & Moore

Chartered Accountants

Statutory Auditors

Salisbury House

Station Road

Cambridge

CB1 2LA

17 December 2021

IDEA FOUNDATION
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 MARCH 2021**

		Restricted funds Period ended 31 March 2021 £	Unrestricted funds Period ended 31 March 2021 £	Total funds Period ended 31 March 2021 £
	Note			
INCOME FROM:				
Donations and legacies	4	-	46	46
Charitable activities	5	50,240	571,337	621,577
TOTAL INCOME		<u>50,240</u>	<u>571,383</u>	<u>621,623</u>
EXPENDITURE ON:				
Charitable activities	6	50,240	201,642	251,882
TOTAL EXPENDITURE		<u>50,240</u>	<u>201,642</u>	<u>251,882</u>
NET INCOME BEFORE NET LOSSES ON INVESTMENTS		-	369,741	369,741
Net losses on investments		-	(1)	(1)
NET MOVEMENT IN FUNDS		<u>-</u>	<u>369,740</u>	<u>369,740</u>
RECONCILIATION OF FUNDS:				
Net movement in funds		-	369,740	369,740
TOTAL FUNDS CARRIED FORWARD		<u>-</u>	<u>369,740</u>	<u>369,740</u>

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

The notes on pages 14 to 24 form part of these financial statements.

IDEA FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 12588358

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £
FIXED ASSETS		
Investments	11	-
		<u>-</u>
CURRENT ASSETS		
Debtors	12	31,371
Cash at bank and in hand		366,405
		<u>397,776</u>
Creditors: amounts falling due within one year	13	(28,036)
		<u>369,740</u>
NET CURRENT ASSETS		<u>369,740</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>369,740</u>
TOTAL NET ASSETS		<u><u>369,740</u></u>
CHARITY FUNDS		
Restricted funds	14	-
Unrestricted funds	14	369,740
		<u>369,740</u>
TOTAL FUNDS		<u><u>369,740</u></u>

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

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

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

Bob Cryan

Professor Robert Anthony Cryan CBE FIET

Trustee

Date: 17 December 2021

The notes on pages 14 to 24 form part of these financial statements.

IDEA FOUNDATION
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STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2021

	Period ended 31 March 2021 £
CASH FLOWS FROM OPERATING ACTIVITIES	
Net cash used in operating activities	366,405
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 PERIOD	366,405
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	366,405

The notes on pages 14 to 24 form part of these financial statements

IDEA FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

1. GENERAL INFORMATION

The Charity is a company limited by guarantee. The Charity is registered in England and Wales and its registered office is Farrer & Co, 66 Lincoln's Inn Fields, London, United Kingdom, WC2A 3LH.

The members of the Charity are the trustees named on page 1. If the Charity is wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

IDEA 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.

2.2 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 Company and which have not been designated for other purposes.

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

2.3 GOING CONCERN

The Trustees have considered budgets and forecasts to 31 March 2023 and as a result have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. As part of their review they have considered the impact of the ongoing COVID-19 pandemic. Accordingly, the financial statements are prepared on the going concern basis.

2.4 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, including government 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.

IDEA FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.5 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.

All expenditure is inclusive of irrecoverable VAT.

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

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

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.10 PENSIONS

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

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

IDEA FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds Period ended 31 March 2021 £	Total funds Period ended 31 March 2021 £
Donations	46	46

5. INCOME FROM CHARITABLE ACTIVITIES

	Restricted funds Period ended 31 March 2021 £	Unrestricted funds Period ended 31 March 2021 £	Total funds Period ended 31 March 2021 £
Grant income	-	502,737	502,737
Grant income - Innovate UK	50,240	-	50,240
Badge development income	-	62,600	62,600
IT development income	-	6,000	6,000
	<u>50,240</u>	<u>571,337</u>	<u>621,577</u>

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Restricted funds Period ended 31 March 2021 £	Unrestricted funds Period ended 31 March 2021 £	Total funds Period ended 31 March 2021 £
Digital activities	50,240	201,642	251,882

IDEA FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly Period ended 31 March 2021 £	Support costs Period ended 31 March 2021 £	Total funds Period ended 31 March 2021 £
Digital activities	233,436	18,446	251,882

ANALYSIS OF DIRECT COSTS

	Digital activities Period ended 31 March 2021 £	Total funds Period ended 31 March 2021 £
Badge development costs	27,800	27,800
Staff costs	108,278	108,278
Other staff costs	936	936
Consultancy fees	63,889	63,889
IT, platform maintenance and software costs	24,505	24,505
Certificate fees	8,028	8,028
	233,436	233,436

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NOTES TO THE FINANCIAL STATEMENTS
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7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Digital activities Period ended 31 March 2021 £	Total funds Period ended 31 March 2021 £
Marketing	4,063	4,063
Legal & professional fees	659	659
Audit & accountancy fees	11,773	11,773
Other general expenses	1,951	1,951
	18,446	18,446
	18,446	18,446

8. AUDITORS' REMUNERATION

	Period ended 31 March 2021 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	5,000
Fees payable to the Company's auditor in respect of:	
Accountancy fees	2,000
Virtual Finance Office and Payroll	5,432
	7,432

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

9. STAFF COSTS

	Period ended 31 March 2021 £
Wages and salaries	92,458
Social security costs	11,042
Pension costs	4,778
	<u>108,278</u>

The average number of persons employed by the Company during the period was as follows:

	Period ended 31 March 2021 No.
Administrative staff	<u>2</u>

No employee received remuneration amounting to more than £60,000 in either year.

The Trustees consider themselves to be the key management personnel, none of whom are remunerated.

10. TRUSTEES' REMUNERATION AND EXPENSES

During the period, no Trustees received any remuneration or other benefits.

During the period ended 31 March 2021, no Trustee expenses have been incurred.

IDEA FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

11. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
Additions	1
Amounts written off	(1)
	<u> </u>

On 7 December 2020 the Charity acquired the entire issued share capital of iDEA CIC. Prior to this the majority of the existing grant agreements had been transferred from iDEA CIC to Idea Foundation. Subsequent to the year end, on 15 April 2021 all remaining trade and assets were transferred from iDEA CIC to Idea Foundation and the CIC ceased activities and entered strike off procedures.

12. DEBTORS

	2021 £
DUE WITHIN ONE YEAR	
Other debtors	2,586
Prepayments and accrued income	4,096
Grants receivable	24,689
	<u> </u>
	31,371

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £
Trade creditors	954
Amounts owed to group undertakings	10,868
Other taxation and social security	5,507
Other creditors	955
Accruals	9,752
	<u> </u>
	28,036

IDEA FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021**

14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT PERIOD

	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2021 £
UNRESTRICTED FUNDS				
General	571,383	(201,642)	(1)	369,740
RESTRICTED FUNDS				
Innovate UK	50,240	(50,240)	-	-
TOTAL OF FUNDS	621,623	(251,882)	(1)	369,740

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2021 £	Total funds 2021 £
Current assets	397,776	397,776
Creditors due within one year	(28,036)	(28,036)
TOTAL	369,740	369,740

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Period ended 2021 £
Net income for the period (as per Statement of Financial Activities)	369,740
ADJUSTMENTS FOR:	
Loss on investments	1
Decrease/(increase) in debtors	(31,371)
Increase in creditors	28,035
NET CASH PROVIDED BY OPERATING ACTIVITIES	366,405

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £
Cash in hand	366,405
TOTAL CASH AND CASH EQUIVALENTS	366,405

18. ANALYSIS OF CHANGES IN NET DEBT

	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	366,405	366,405
	366,405	366,405

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2021

19. PENSION COMMITMENTS

The Company operates a defined contribution pension scheme for the benefit of employees. The assets of the scheme are administered by trustees of the fund independent to those of the charity.

During the period contributions totalled £4,778. The balance outstanding as at 31 March 2021 was £955.

20. RELATED PARTY TRANSACTIONS

On 7 December 2020 the Charity acquired the entire issued share capital of iDEA CIC. The net assets at acquisition were £NIL. The investment of £1 was written down to £NIL at 31 March 2021.

During the year £262,736 was transferred from iDEA CIC under existing grant agreements and is included in grant income for the year. At the year end the balance due to iDEA CIC was £10,868.

Subsequent to the year end, on 15 April 2021, all remaining trade and assets were transferred from iDEA CIC to Idea Foundation and the CIC ceased activities and entered strike off procedures.

There were no other transactions with related parties during the period.