

Cloudy Foundation

**Report of the Trustees
and the Unaudited Financial Statements
for the Year Ended 31st August 2022
for Cloudy Foundation**

Year 2

Registered Charity Number – 1193029

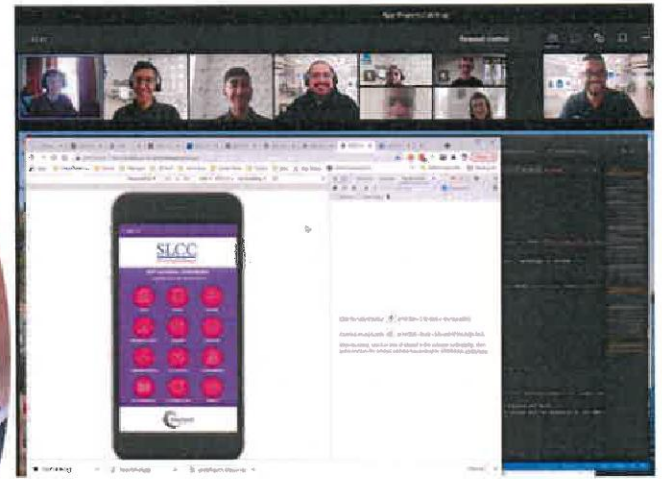
Principal office and Registered address

Unit 8, Homeground, Buckingham Industrial Estate,
MK18 1 UH

www.cloudyfoundation.org.uk

Contents of the Financial Statements for the Year Ended 31st August 2022

	Page
Report of the Trustees	5-12
Independent Examiners Report	14
Statement of Financial Activities	15
Balance Sheet	16
Notes to the Financial Statements	17-20



Charity Trustees during 2022 were as follows:

(All served from 31.8.21 to 31.8.22)

David Hall (chair of trustees)

Dean Jones

Mark Vanstone

Kirsty Forshaw

The Charity is a Charitable Incorporated Organisation (CIO)

Young Person statements

"I think tech Lab is beneficial for people who are looking to step into the business world and gain a profession in the industry and it will give us a head start over other people our age. It also taught me even more leadership skills"

"I think I've improved my teamwork working with a bunch of random people. This will prepare me for the working world. Also, I feel more confident sharing presentations and displays which will again be useful for the working world." (EA student"

97% of EA students surveyed said they would recommend the programme to other young people their age.

TRUSTEES REPORT

The trustees present their second annual report together with the financial statements of the charity for the year ended 31st August 2022, including our accountants (unaudited) report for that year.

In preparing this report, the Board of Trustees have noted the guidance set down by the Charities Commission regarding public benefit.

Our Mission

Is to change and transform the lives and futures of young people by supporting their access to digital skills opportunities and engaging them with business and the wider community.

We want to improve the educational and professional attainment of young people by engaging them on exciting digital programmes that serve a verifiable business purpose and help to develop their employment skills and opportunities..

We work to strengthen the relationship between young people, employers, and community by bringing them together on digital tech projects that serve a real-world purpose and deliver social impact in their development. We want to help to improve the capacity of both schools/colleges and business to meaningfully engage young people towards the vital IT & tech skills that they and our communities & businesses need.

To start in the Buckinghamshire area and then to respond to need and opportunity by extending what we do in other areas across England and Wales.

Our Vision

Is of a country, and indeed a world, in which young people all have the opportunities they need to move forward in life and including digital and tech skills.

We believe that every young person should have employer interactions that empower them to develop the digital and interpersonal skills needed for the modern workplace; that in turn provides the opportunity for them to make a valuable contribution to their communities and wider society.

We aim to turn that vision into reality wherever and for whoever we can.

Our values

- ✓ Affirming and Positive
- ✓ Person and youth centred
- ✓ Listening and Learning
- ✓ Determined and Persistent
- ✓ Celebrating difference and diversity
- ✓ Committed to quality and excellence
- ✓ Collaborative and partnership-based solutions
- ✓ Outcome focused

The formal objective of the Charity as stated within our constitution and agreed with the Charities Commission is:

To promote the advancement of education through the provision of practical experience primarily, but not exclusively young people under 25, to develop their digital skills, to support them in their education and increase employment opportunities primarily but not exclusively, in the United Kingdom.

Our second annual report – for 2021/22 (1st September 2021 to 31st August 2022)

A year of consolidation and solid development

We were established in 2021 and registered as a Charity Limited by Guarantee on 8th January 2021

The beginnings of the charity were rooted in the passion and desire of our Chair of Trustees, David Hall, to create and provide opportunities in digital and tech skills that would change young peoples' lives.

The Foundation was set up as an outflow of Cloudy IT Group, David's company. As someone who could easily have gone astray as a young person but was helped to make better decisions which changed his own life and future, David wanted to offer that opportunity to others and especially to disadvantaged young people. He had himself been an apprentice, had lots of potential but was not academic, and was helped to develop a resource network of people and skills which helped get Cloudy IT off the ground.

Initially the thought was to do offer those opportunities to young people from within Cloudy IT as an expression of corporate social responsibility. It became clear that would not offer enough opportunities and development to satisfy the ambition for change.

The pandemic kick-started a much stronger expression of that passion and desire because of its devastating impact on young people and the Foundation was developed as a concept in 2020 and launched in January 2021. By using virtual technology and local connections, the Foundation had the exciting opportunity of supporting young people at a time when many were feeling isolated and lonely and often anxious and depressed.

Whilst the pandemic has a very different profile, our experience has shown us that those needs and concerns very much remain. The interface between schools and business is improving but has a long way to go. Young people all too often don't receive the vocational opportunities they need to move forward in life. That's especially true for those young people who are not academic and don't have clear routes into rewarding work.

2021/22 has been a year in which the pandemic legacy has overlapped with the economic and energy crises and huge pressure on public finances. That in turn has prompted the familiar story that there is more need than ever for what we do and at the same time a more challenging funding landscape.

It should be noted that all provision in this year was provided by Trustees volunteering their time and by the secondment of technical staff from Cloudy IT. From August 2022 we have begun to add part time paid staff to support delivery and funding.

The Foundation's stated goal is to change young lives and futures by connecting them with business and employer networks and providing opportunities for digital and tech development. That attracted a skilled and switched-on group of initial Trustees. All of these Trustees served during the year under report. Two have left us in the last 6 months; one because of health issues and the other because of requirements in their own business. Two more are incoming.

The detail below gives some flavour of what's now happening and the exciting developments – as well as the funding and fundraising challenge.

"It was inspiring seeing how young people brought new ideas and new perspectives to develop an amazing set of apps, which will be hugely beneficial to our charity. It was a great "win win" for both the schools and our charity. Also David and the team surrounding him were incredibly dedicated to giving young people the very best learning environment."

(Lee Lloyd, Head of Fundraising at Florence Nightingale Hospice Charity)

I enjoyed working closely with the young demographic to help them bring their app to market, hear their ideas and talk through their design concepts - being able to support and guide them was brilliant"

(Vicky White, Founder of Vicky White Communications)

I loved the fact students worked with real-world experts and the apprentices - helping them to understand the pathways that are available to them. The event was organised well and the students seemed to enjoy themselves.

The Grange School

Pandemic and post-pandemic Impact

Our experience of Covid was double edged, in that it impelled the Charity to find ways of supporting young people in need but made it a difficult time to get a charity launched and to gain funding for it. The ramp into provision was built from the particular generosity of the Cloudy Group but was restricted in size because of that external environment.

As we are emerging from the pandemic, and embracing economic challenges, we are concerned to do all we can to build our capacity to make a difference and our integrated funding and delivery plan is very much part of that ambition.

Structure, Governance and management

Trustees are approached personally, or advertised for. We have a clear process for recruitment, application, approval or rejection, induction/onboarding and development. A duly completed application form is required, including references, and a role and person specification is clearly outlined. All trustees are DBS checked (as are staff and volunteers) in line with our safeguarding and equal opportunities policies. Trustees are supplied with appropriate information ahead of their considered application for Trusteeship; they are appointed and supported in line with the charity constitution, the good trustee guide and other legislative guidance.

The Board of Trustees meets six times per year (3 face to face and 3 virtually) to fulfil their role in overseeing and directing the affairs of the charity, ensuring that it is well-run and delivers the charitable outcomes for which it is established. One of those meetings is an annual strategy day, when the Trustees review the overall strategy for the charity, including where we work and what we need to provide and offer. Trustees are committed to the Nolan principles of selflessness, integrity, objectivity, accountability, honesty and leadership.

At time of writing (June 2023) we have three Trustees with two more joining us at our July Meeting (one from Microsoft and another with LA and Charity management experience. We will

add at least two more Trustees to the Board, with a priority on legal and accounting expertise by the end of the calendar year.

At this stage the staff team is small; as indicated above, during this financial year almost all inputs were from Trustees volunteering their time and via technical secondments from Cloudy IT. From August 2022 we added an experienced part-time CEO, to support development and fundraising; our CEO has a great track record and has previously run several successful charities. Since January 2023, we have also added three part-time workers (just 5 hrs each) to help with schools liaison, technical development and young peoples onboarding and support. In 2023/2024, from October 2023, we will aim to appoint both project delivery and fundraising staff to help take the charity forward. We do have outsourced book-keeping and admin to help support us and the advantage of close links with the resources of the Cloudy IT Group.

As part of our development planning, we now produce a two-year strategy set into a five-year frame of ambition, together with a two-year operational plan and fundraising plan. A rolling 18-month cash flow is maintained to ensure sustainability and advance finance planning. Subject to funding, we will run our SkillBase Programme twice each term during 2023/2024 and support around 120-150 young people. See below.

We are ambitious but also realistic. There is much to do but we recognise the importance of getting right both the direction of travel and the pace of development whilst ensuring quality of delivery and optimum outcomes for young people.

Infrastructure and systems

In alignment with our current strategy and development ambitions we are developing a charitable extension of the MS Dynamics Database used by Cloudy IT, and we use share-point to support good information sharing and joint working. Staff and volunteers work remotely most of the time, but we have regular virtual Team Meetings (fortnightly) and come together face to face for one day every other month to maintain relationships and mutual accountabilities.

The aim again is to balance growth and prudence, ambition and sustainability, and to ensure the systems and processes are developed in line with and slightly ahead of, those developments.

84% of Tech Lab students surveyed in 20221-22 were positive that the programme had helped them make decisions about their next steps in terms of education, training or work.

2021/22 Activity and Provision (to end August 2022)

As indicated, initial provision was very much a response to Covid 19 and its impact on young people, as well as an expression of the passion and desire we have to change lives and futures within the digital landscape.

Overall we have increased provision to just under 100 young people during in this second year of delivery as a charity (from 70 the year before). Exciting and very proving of the model. An initial proof concept working with one student (Aarun) and one council, had proved so successful that we were encouraged to proceed with the wider programmes. These have been well received and sought after by students, schools, colleges and business and local authority partners.

SkillBase Programme

As the name suggest the aim of SkillBase is to support the digital skills acquisition of (especially disadvantaged) young people and to help them develop personally and including towards the world of work.

To do that we run two key integrated projects:

Tech Lab Project – helping young people to design and develop commercially viable apps and gain skills around tech but also communication, team-working and personal development, including planning and organisation. This is delivered over a full week of project work culminating in a presentation by the YP teams and an awards and affirmation session. During 2021/22 we worked with several local councils and brought in local businesses to further support best outcomes.

The foundation of the project, in collaboration with Aylesbury Youth, was a research project in 2021, designed and developed by young people to encourage the young people of Aylesbury to share their views via an interactive App. Using the research findings, our Tech Lab followed at Buckinghamshire University Technical College, with a final exhibition and awards ceremony to determine the students' winning concept, on Friday 2 July 2021.

Over the year under report we have further strengthened the project and worked collaboratively with schools and students across Aylesbury and Buckinghamshire, to produce great outcomes for young people.

Enterprise Academy project – working with young people normally over an 8- 10 week delivery, two sessions per week (primarily on line now hybrid as the pandemic recedes) to develop their digital skills and experience and to offer group and personal support.

The initial project delivery was developed in collaboration with Bucks/Aylesbury UTC and the UPSKILL framework worked incredibly well in providing and exciting alternative pathway for young people wanting and needing digital skills.

Both projects were well supported and enthusiastically endorsed by business and education partners and provided a great platform for further development.

The Society of Local Council Clerks (SLCC) sponsored an Enterprise Academy project to have young people from all over the UK develop a new App for SLCC members to use at their national conference. As well as delivering an easy-to-use, functional App to support the SLCC conference, the young people working on this project were supported by Cloudy Foundation mentors, CloudyIT engineers, and by a council clerk providing insights into their role; helping the young people involved to develop new digital, interpersonal, and careers-related skills.

That approach was further extended and developed in the last year and additional deliveries have taken place in Aylesbury (working with Nightingale Hospice), Stamford in Lincolnshire and supporting a project based app for another charity working across six counties. Another delivery was also agreed for Haywards Heath in Sussex, linking charitable community engagement with Cloudy IT project development in local councils, something we expect to further leverage and expand. Exciting Developments!

We have delivered two Tech lab and one Enterprise Academy deliveries in year 2 and would have done more were it not for limited funding and resource. Each Tech lab costs around £5,000 and each online Enterprise Academy costs around £4,000. Whilst Cloudy IT Group have been generous investors and supporters the charity cannot progress without additional funding

An integrated Programme

From January 2023, we have combined the Tech Lab and Enterprise Academy Projects as twin aspects of our SkillBase Programme and to provide a flexible framework for the young people we support and for our partners.

Donate to Educate

The Charity also runs a laptop and IT refurbishment project and had refurbished and donated in excess of 40 laptops to other organisations working with disadvantaged young people and other groups.

Year 3 Provision – and forward developments

At time of writing, we are two terms into our third year, so it seems appropriate to summarise developments in year 2 and also to indicate direction of travel going forwards. We lifted provision numbers from 70 in Year 1 to over 100 YP in year 2 and expect to maintain that number in 2022/3. Plans for year 3 are to further develop an exciting programme, now fully bannered under the SkillBase Programme.

We are developing exciting partnerships with (among others) Microsoft and with the Peter Jones Foundation and these will be first added to our summer-term SkillBase Programme. Going forward we aim to increasingly work with the young people we support over an extended period to gain best outcomes and benefits. We will aim to work with most young people we support over 12-18 months and for up to two years. Young people joining us as new students will be encouraged to return to projects at higher levels and to support incoming newbies and mentors and later tutors, where appropriate. The aim is to create a Cloudy Foundation “community” that will resource new initiatives. It will also enable us to better track outcomes and to see the longer-term benefits and outcomes for beneficiaries.

In broad terms we expect two-thirds of the young people in any programme to be new to the programme and one third to be returning at a higher level and as mentors and tutors.

In 2023/4 academic year, our funding year, and subject to funding, we plan to deliver at least Two SkillBase programmes per term supporting at least 150 students. As part of that development we are working with Bucks Council to support specific need groups. A SkillBase Programme will be run in Spring Term specifically for Care Leavers and we are developing an approach for young people on the autistic spectrum too.

We are balancing caution and ambition as we further develop the Foundation and concerned to diversify and strengthen income streams across grant making trusts, corporate companies, community events, and working with schools, colleges and individual donors to positively leverage funding and create fresh opportunities.

Going forward, we want to expand provision and opportunity by at least 50% per annum, so to around 250 YP in 2024/5 and aiming for over 400 YP the following year. That will include developing the organisation substantially, including fundraising as well as delivery capacity.

Outcomes:

Key outcomes include:

- Supporting Young People to access and grasp digital opportunities not otherwise available to them
- Increased qualitative personal development around confidence and self-esteem, communication and planning and interpersonal skills
- Reducing mental health and emotional issues for young people
- Reduced numbers of NEET young people
- Lifting confidence, expectation and self-belief

- Raising awareness of the options available in the digital area for employment and personal development
- Supporting business to share expertise and help with recruitment and engagement with young people
- Stronger, more collaborative and cohesive communities by bringing agencies together

Finance and Fundraising Review

1.9.21 to 31.8.22

During the year, most of the funds were contributed by Cloudy IT – pro bono and in kind as well as in cash. Turnover was modest as a charity and was understated by the generosity of local companies and individuals who continued to give time for free to make things happen.

Income for the year under report was £26,285 ; expenditure was £29,084 and that left us with a small managed deficit of £2,799 for the year.

The whole of that funding was unrestricted funding and meant that our reserve at year end was just £670

Cash at Bank on 31.8.22 was £522

The Trustees ambition is to achieve maintain a reserve of 4 months running costs at this stage, to help pump-prime further development and provide sustainability for the organisation.

We have been successful with some grant funding during early 2023 which will contribute to further strengthened financial performance to 2022/23

Our budget in 2023/4 and fundraising plans provide for around £98,000 of expenditure and an income of £120,000.

Fundraising

These are tough times in which to raise funds. During 2021/22 our resources were confined to the voluntary inputs of Trustees and there were no paid staff working with Cloudy Foundation. We have moved forward in this area as part of organisational development.

We aim to ensure a diversified income stream across Statutory, Grant, Corporate and Community income and to continue to invest in each of those streams as part of our strategic and fundraising plan.

In the year 2022-23 we have been grateful for grant funding for the first time and so far have raised £14,500 with an additional £2,000 expected and we are applying for further grants on a regular basis with a target of £50,000 for the next 12 months.

Overall budget is for income of £125,000 and expenditure of £93,000 creating a reserve of £32,000, at that stage around 4 months running costs.

We will invest in additional skills and resources and are confident of the direction and pace of forward development, and keen to secure partners and funders at all levels to help us to make more opportunities available to more young people.

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Name: David Hall (chair)

Signature

A handwritten signature in black ink, appearing to be 'DH' or similar initials, enclosed within a circular flourish.

Date 15.06.23

Independent Examiner's Report to the Trustees of
CLOUDY FOUNDATION

**Independent examiner's report to the trustees of CLOUDY FOUNDATION
(the Charity')**

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 August 2022.

Responsibilities and basis of report

As the charity's trustees of the Company you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in, any material respect:

1. accounting records were not kept in accordance with section 130 of the Charities Act; or
2. the accounts do not accord with those accounting records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than a requirement that the accounts give a "true and fair" view which is not a matter considered a part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Suzanne Spicer FCA
Spicer & Co UK Limited
Staple House
5 Eleanor's Cross
Dunstable
Bedfordshire
LU6 1SU

Date: 15 June 2023

CLOUDY FOUNDATION

Statement of Financial Activities for the Year Ended 31 August 2022

	31.08.22 Unrestricted Funds £	31.08.22 Total Funds £	31.08.21 Unrestricted Funds £	31.08.21 Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	8,980	8,980	1,500	1,500
Donations in kind	17,305	17,305	21,255	21,255
Total	26,285	26,285	22,755	22,755
EXPENDITURE ON				
Charitable activities				
Charitable activities	(27,054)	(27,054)	(17,605)	(17,605)
Governance costs	(2,030)	(2,030)	(1,681)	(1,681)
Total	(29,084)	(29,084)	(19,286)	(19,286)
Net DEFICIT/SURPLUS	(2,799)	(2,799)	3,469	3,469
RECONCILIATION OF FUNDS				
Total funds brought forward	3,469	3,469	0	0
TOTAL FUNDS CARRIED FORWARD	670	670	3,469	3,469

CLOUDY FOUNDATION

Balance Sheet 31 August 2022

	Notes	31.08.22 Unrestricted Funds £	31.08.22 Total Funds £	31.08.21 Unrestricted Funds £	31.08.21 Total funds £
FIXED ASSETS					
Computer equipment	3	2,188	2,188	3,125	3,125
CURRENT ASSETS					
Cash at bank		522	522	1,364	1,364
		2,710	2,710	4,489	4,489
CREDITORS					
Amounts falling due within one year	4	(2,040)	(2,040)	(1,020)	(1,020)
NET CURRENT ASSETS		670	670	3,469	3,469
TOTAL ASSETS LESS CURRENT LIABILITIES		670	670	3,469	3,469
NET ASSETS		670	670	0	0
FUNDS					
Unrestricted Funds brought forward		3,469	3,469		
Unrestricted Funds in year	5	(2,799)	(2,799)	3,469	3,469
		670	670	3,469	3,469

The financial statements were approved by the Board of Trustees and authorised for issue on 15.06.23. and were signed on its behalf by:

.....
D Hall - Trustee



Notes to the Financial Statements
for the Year Ended 31 August 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Computer equipment	over 4 years
--------------------	--------------

Fund accounting

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

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

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2022.

3. TANGIBLE FIXED ASSETS

	Computer Equipment £	Total £
Cost		
At 1 September 2021	3,750	3,750
Additions	<u>0</u>	<u>0</u>
At 31 August 2022	<u>3,750</u>	<u>3,750</u>
Depreciation		
At 1 September 2021	625	625
Charge for the year	<u>937</u>	<u>937</u>
At 31 August 2022	<u>1,562</u>	<u>1,562</u>
Net book value		
At 31 August 2022	<u>2,188</u>	<u>2,188</u>
At 31 August 2021	<u>3,125</u>	<u>3,125</u>

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.08.22 £	31.08.21 £
Accruals and deferred income	<u>2,040</u>	<u>1,020</u>
	<u>2,040</u>	<u>1,020</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2022

5. MOVEMENT IN FUNDS

	At 01.09.21	Net movement in funds	At 31.08.22
	£	£	£
Unrestricted Funds			
General fund	3,469	(2,799)	670
TOTAL FUNDS	3,469	(2,799)	670

	At 01.01.21	Net movement in funds	At 31.08.21
	£	£	£
Unrestricted Funds			
General fund	0	3,469	3,469
TOTAL FUNDS	0	3,469	3,469

6. RELATED PARTY DISCLOSURES

For the year ended 31 August 2022, goods and services totalling £ 17,305 (2021 - £21,255) were donated by Cloudy Group Ltd. A trustee, David Hall, is also a director of Cloudy Group Ltd.

CLOUDY FOUNDATION

Detailed Statement of Financial Activities for the Year Ended 31 August 2022

	31.08.22 Unrestricted Funds £	31.08.22 Total Funds £	31.08.21 Unrestricted Funds £	31.08.21 Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	8,980	8,980	1,500	1,500
Donations in kind	17,305	17,305	21,255	21,255
Total	26,285	26,285	22,755	22,755
EXPENDITURE ON Charitable activities				
Fundraising costs	6,209	6,209	4,336	4,336
Service provision	17,305	17,305	0	0
Subscriptions	0	0	185	185
Outsource and consulting	3,540	3,540	4,280	4,280
Marketing	0	0	8,804	8,804
	27,054	27,054	17,605	17,605
Finance				
Bank charges	73	73	36	36
Governance costs				
Depreciation	937	937	625	625
Accountancy fees	1,020	1,020	1,020	1,020
	1,957	1,957	1,645	1,645
Total resources expended	29,084	29,084	19,286	19,286
Net (Deficit)/Surplus	(2,799)	(2,799)	3,649	3,649