

ACCOUNTING FOR SUSTAINABILITY
Trustees' Report and Statutory Accounts
For the period 10 August 2021 to 31 March 2022

Charity number: 1195467

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Report of the Trustees for the period 10 August 2021 to 31 March 2022

The Trustees present their report along with the financial statements of the charity for the period from 10 August 2021 to 31 March 2022. The financial statements have been prepared based on the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution Accounting for Sustainability (A4S) is a Charitable Incorporated Organization (CIO) registered with the Charity Commission under registration number 1195467.

OBJECTIVES AND ACTIVITIES

Purpose:

The purpose of A4S is to transform finance to deliver a sustainable future. A4S's vision is that sustainable business becomes business as usual. Organizations that are successful will generate profits while creating value for society and operating within the ecological boundaries of the planet. A4S pursues this by working with the finance and accounting community to:

- Inspire finance leaders to adopt sustainable and resilient business models
- Transform financial decision making to reflect the opportunities and risks posed by the climate crisis and other environmental, social and governance (ESG) issues, and
- Scale up action to transition to a sustainable economy.

HM King Charles III established A4S in 2004, when he was The Prince of Wales, as The Prince's Accounting for Sustainability Project, a programme of The Prince of Wales's Charitable Foundation (PWCF) – a registered charity (1127255) and Private Limited Company (06777589) in England and Wales. On 10 August 2021, A4S registered as a Charitable Incorporated Organization (CIO). The transfer of A4S's project-linked assets from PWCF to the new CIO was completed on 30 September 2021. A4S remains part of the PWCF Group of Charities because PWCF appoints A4S's trustees.

Summary of main activities:

To create systemic change across the economy, A4S works with the whole finance and accounting system:

- **Chief financial officers (CFOs) and their teams:** CFOs and their teams sit at the centre of organizations across the ecosystem, allocating finance and controlling information that drives decisions.
- **Capital markets:** Asset owners, asset managers and other capital markets actors direct financial flows through their investment and lending decisions, influencing and enabling a shift towards sustainable outcomes.
- **Regulators and policy makers:** Regulators and policy makers create an enabling regulatory environment, which is essential to support action.
- **Business schools and academia:** Accounting and finance education drives innovation, research and teaching to influence and enable action among all other communities working to embed sustainability.
- **Accounting community:** Accounting bodies and firms provide the skills and advice needed to respond to social and environmental risk and opportunity. They influence the market and develop the standards that will make sustainable business the norm.

A4S's theory of change is to work with these communities to:

- **Inspire leadership:** By creating formal and informal communities of leaders across all parts of the finance system and inspiring them to take action – as individuals and by influencing their peers and networks.
- **Transform decision making:** By working with finance communities and their leaders to transform the way they do business. A4S captures examples of best practice and codifies them into standard approaches that embed sustainability into the heart of financial decision making.
- **Scale up action:** Through training, regulatory change, partnerships and peer-to-peer engagement. A4S targets those who can scale up adoption of sustainability approaches and make them the norm.

A4S has developed a unique combination of formidable convening power and technical credibility to equip the global finance and accounting community with the motivation, mindset, knowledge and tools necessary to transform the way in which these groups make decisions, consistent with a sustainable future. Activities to leverage A4S's relationships at the most senior levels across all parts of the finance system and deliver impact are summarized below, and reported on in note 4 to the financial statements, under the following programmatic areas:

- **CFO programme:** Focusing on CFOs and finance teams, because they underpin corporate behaviour, direct flows of finance and information, and are essential to setting and delivering ambitious sustainability goals and transforming business models.
- **Capital markets programme:** Using the power of the capital markets to create mutually reinforcing and aligned actions between companies and their investors, accelerating the pace of change towards a sustainable future.
- **Knowledge and education programme:** Engaging and upskilling leaders within the largest and most impactful organizations globally to address social and environmental issues within their organization and along their organization's value chain.
- **Engagement and communications:** Creating a voice for finance leadership and building a global community to inspire action across sectors and regions. Underpinning the success of the programmatic areas above by ensuring relevant, credible and high-quality engagements with the highest impact audiences.

In addition to the above programmes, which run continuously, A4S also runs topic-based programmes on an ad-hoc basis, focused on specific issues (such as net zero or human capital), sectors (such as banking) or regions.

Public benefit:

The Trustees have considered the Charity Commission's guidance on public benefit under the Charities Act 2011, and this report sets out the work performed by the CIO in furtherance of the public benefit.

Fundraising:

A4S is funded through a mix of contributions from its network members, grants from foundations and government support. A4S spent £19,566 directly on fundraising during the year. A4S does not have dedicated fundraising support, but does contract professional support for developing grant applications as needed. The Executive Chair and other staff liaise with donors and prepare

applications. As a result of this, a percentage of relevant staff salaries has been apportioned to fundraising.

There have been no complaints during the year in relation to fundraising.

ACHIEVEMENTS AND PERFORMANCE

Sustainability is at the top of the agenda for businesses, investors and governments around the world, and the role of finance and accounting to support action has never been clearer or more vital. This year A4S has continued its work to inspire action, transform decision making and scale up action across all key communities within the finance and accounting world, working through the three programmatic areas – the CFO programme, capital markets programme, and knowledge and education programme – supported by cross-cutting engagement and communication activities.

CFO programme

The CFO is a significant lever of change within an organization, directing investment and information, and adding credibility and influence. A4S supports the CFOs of major organizations to make the connection between sustainability and long-term value creation, and empowers them to act, so they not only transform their own businesses but use their leadership position to motivate whole markets to change. A4S's CFO Leadership Network and CFO Circles of Practice are the means through which it empowers influential CFOs – in critical sectors and regions – to adopt a personal and organizational leadership position on sustainability, take action and motivate others to follow. A4S works to develop a critical mass of CFOs across the globe who can deliver near-term positive impact on social and environmental issues and create a tipping point across key markets, sectors and geographies.

A4S creates freely available practical guidance specifically for finance teams and leverages A4S's global networks and partnerships to make their adoption the norm.

In November 2021 A4S launched a new chapter of the CFO Leadership Network in the Asia Pacific region. This new chapter joined the existing network chapters in the US, Canada and Europe. Members of each chapter sign up to the Network Charter and agree a set of individual and collective commitments to embed sustainability and drive progress. At 31 March 2022 the network had 64 CFOs from large organizations.

Capital markets programme

A4S works with its Asset Owners Network, asset managers, banks and the wider capital markets community to embed sustainability considerations into investment decisions. This includes providing a space for the chairs of pension funds to share best practice as well as working with CFOs from the financial services sector to support their organizations to achieve net zero, be nature positive and contribute to the UN Sustainable Development Goals (SDGs).

During this reporting period, subjects addressed included the implementation of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), undertaking scenario analysis, embedding social and environmental risk and opportunity into investment principles, shareholder resolutions, embedding sustainability into the employer covenant process, work on the just transition and guidance to help finance functions to account for financed emissions.

The capital markets team also gathered support from 19 pension fund chairs, representing £422.3 billion in assets under management, to sign the Pension Fund Chair Net Zero Statement of Support. Signing the statement of support represented a commitment from these pension schemes to embed a net zero investment strategy within 12 months, and the statement demonstrated a

strong collective voice from the pension chair community on the importance of setting net zero targets.

Knowledge and education programme

The education programme's activities and objectives fall under the following broad categories:

Guidance and knowledge products

A4S develops practical guidance, such as toolkits, guides and case studies, leveraging insights gained from, and produced with the support of, organizations involved in its programmes. A4S experts speak at events, take part in panel discussions and contribute to multilateral initiatives, sharing knowledge and insight.

During the reporting period, A4S published three guides: the A4S Essential Guide to Enhancing Investor Engagement, TCFD Climate Scenario Analysis, and the A4S Essential Guide to Engaging the Board and Executive Management. A4S also published 31 case studies providing practical examples to help organizations address sustainability issues.

A4S Academy

A4S developed and runs the A4S Academy, a learning platform for upskilling finance teams with the knowledge required to embed sustainability into the heart of their strategic decisions and processes. The programme uses A4S's extensive experience and guidance materials. The Academy provides practical skills and support, and training on leadership and influencing, so participants can bring their teams with them as they pursue sustainable and resilient business models.

This year, the A4S Academy celebrated the achievements of 52 graduates from the A4S Academy 2020–21 cohort – the first to complete the programme. The 136 active participants in the 2021–22 cohort completed the learning seminar phase of the programme and set their implementation plans. They will apply that learning during the second phase of the Academy, which will end in November 2022.

Accounting Bodies Network, business schools and academia

A4S works with its Accounting Bodies Network (ABN), business schools and academia to integrate sustainability into finance and accounting research and education programmes. The aim is for the principles of 'accounting for sustainability' to be fully integrated into all stages of qualification and lifelong learning programmes for accountancy and finance professionals, including syllabi, learning materials and examinations.

A4S's ABN comprises 17 accounting bodies and organizations which collectively represent more than 2.5 million professional accountants and students across 179 countries, approximately two thirds of the world's accountants. Members of the ABN have committed not only to going net zero themselves and publishing transition pathways by the end of 2022, but they have also committed to providing the training and infrastructure needed to support their members to achieve their own net zero ambitions.

In March 2022 A4S held its third International Case Competition for business school students. The competition invites students to pitch business plans centred around ideas that will help transition to a net zero economy. The winning team was Concordia Consulting Group, a group of MBA students from John Molson School of Business, with their idea to achieve a carbon-neutral meat industry by distributing seaweed as a supplement to cattle feed.

Engagement and communications

A4S guidance is freely disseminated and actively promoted so that it can be accessed by the widest possible audience. A4S also organizes targeted events, which underpin and support its programmes and the dissemination of its resources and research, to enable action in the highest impact organizations, sectors and geographies.

During the reporting period, A4S campaigns received international press coverage, with articles mentioning A4S appearing in Reuters, Fortune, Yahoo Finance, BBC and the finance and accounting trade press. A4S ran 20 events across the period, on top of the 39 external events at which A4S spoke. Highlights included two live events broadcast from Glasgow at COP26 – a Finance Day broadcast and a session reflecting on week one – and a reporting roundtable hosted by HM The King, when he was The Prince of Wales. This roundtable was held at St James's Palace and was attended by global chief financial officers and a variety of other senior finance leaders.

Chief among the year's events was the annual A4S Summit, held in November 2021 with 1,122 attendees. The 2021 Summit focused on the road from COP26, concentrating on how the finance community can accelerate action to close the gap between ambition and action on sustainability and create a sustainable future. In partnership with ICAEW and Deloitte, A4S also held its ninth Finance for the Future awards, recognizing businesses, organizations and people that have demonstrated leadership to encourage sustainable practices. The award winners were announced at a ceremony held simultaneously in London and Glasgow, to coincide with COP26 in November 2021.

FINANCIAL REVIEW

Review of the period:

Total income for the period was £1,971,051, made up of donations and gifts from various sources. The majority of this income – £1,187,495 – was donated by CFO Leadership Network members, with £675,923 gifted by PWCF. A4S received restricted grants from one organization, CAF America, in the period, and these grants supported A4S to implement its charitable aims (outlined above). The restricted funds cannot be used to fund charitable activities in the US. A4S's expenditure on charitable activities for the period was £978,216, which includes support costs of £255,666.

The charity's reserves at the year end were £973,269, comprising £33,696 in restricted funds and £939,573 in unrestricted funds.

Reserves policy:

The Trustees recognize the need to have sufficient unrestricted funds held as a reserve to ensure underlying stability should A4S face an unexpected decline in income, unexpected cost increases or the need to respond to a change in its environment (such as COVID). The level of unrestricted reserves that the Trustees believe to be appropriate and sufficient to fulfil its core commitments is defined as unrestricted reserves equivalent to circa three months of running costs, currently approximately £500,000. The level of unrestricted reserves at 31 March 2022 stands at £939,573, or approximately five and a half months of running costs. This reflects the cycle of receipt of donations; donations are higher at certain points in the year, while expenditure is spread more evenly across the year.

Principal risks and uncertainties:

A4S, with the considerable and diverse experience and networks of its staff, Board of Trustees, Advisory Council, Expert Panel and other supporters, is well placed to deliver on its aims. Although no steps can be taken to secure against all risks in their entirety, the Trustees are aware of the risk factors involved in A4S's work. A risk register is maintained and reviewed every six months by the Board of Trustees and on an ongoing basis by the Senior Management Team, in order to gain assurance that adequate systems and procedures are in place to manage identified risks.

In common with other charities dependent on donated income, one of the principal areas of ongoing risk is that A4S is unable to secure sufficient funding to deliver its strategy. This is an area of significant management focus and action. There is particular emphasis on securing multiyear and unrestricted funding, with the majority of income generated through recurring donations from network members.

As an organization with a highly technical focus, a further risk is the ability both to source and retain the skilled staff members required. This is being mitigated through investment in A4S's employer offer, including remuneration structures and pathways for professional growth and development. Measures have also been put in place so that A4S can recruit talent from around the world, attract secondees from respected partner organizations and grow a diverse pool of consultants to provide specialist input.

The board is also conscious of reputational risk to A4S or its founder by its own actions or those of its associated stakeholders. This is mitigated by stringent processes for all external communications, and by following due diligence processes when engaging with prospective working partners or network members.

STRUCTURE, GOVERNANCE AND MANAGEMENT

A4S is constituted as a Charitable Incorporated Organization (CIO) with a constitution as its governing document.

The Object of A4S as set out in its constitution is as follows:

To advance education of the public, in particular (but not limited to) financial professionals, in subjects relating to:

- Sustainability in business practice, accounting and decision making in particular in relation to the environment and climate change, and
- Sustainable development (being development which meets the needs of the present without compromising the ability of future generations to meet their own needs) and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large.

A4S has a small core team able to deliver significant impact through peer-to-peer advocacy and partnerships, mobilizing a wide group of influential individuals and organizations across the world to drive change. Its headquarters are in London, with team members – either directly employed or engaged through partnerships – across the US, Canada, Europe and Asia Pacific.

A4S has strong support from its governance and oversight committees, including the Board of Trustees, Advisory Council, Communications Group and Expert Panel, which represent a large and diverse range of well-known global leaders and experts in their field. These representatives add to the impact A4S can have through its networks of CFOs, asset owners and accounting bodies.

Day-to-day operational control of A4S is delegated by the Board of Trustees to the Executive Chair and other key management personnel listed below on page 11, who are responsible for the direction and success of the strategy, in line with the CIO's charitable objects. The Board of Trustees remains responsible for ensuring A4S functions within the legal and financial requirements of a registered charity, for approving long-term objectives and strategy, and for approving the annual budget and any material variations.

Trustees do not receive any benefit or payment in connection with their services to A4S. Trustees are typically appointed for a period of three years by A4S's sole member, The Prince of Wales's Charitable Foundation, having regard to the skills, knowledge and experience needed for the effective administration of A4S. New Trustees are supported with materials necessary to enable them to succeed in the role.

PLANS FOR FUTURE PERIODS

A4S expects to see continued momentum on climate action, alongside a greater focus on tackling the nature crisis and inequality. In addition to the need to continue to raise awareness of these issues, it is also important to accelerate the shift from commitment to action. In response, A4S has identified three priority areas of focus to shape its work in 2022/23, summarized below:.

- **Corporate reporting:** Over the coming year, there will be key developments in the standard-setting landscape, of relevance and importance to ensuring investors and others have the

information needed to make sustainable decisions. A4S's focus will be two-fold: first, to influence and inform the development of standards, and second, to provide practical guidance to help finance teams to respond.

- **Operationalizing net zero targets:** Climate change remains one of the most significant risks faced. Across all A4S networks and the communities it works with, A4S's focus will be to deepen the guidance provided to help organizations deliver on net zero commitments.
- **Being nature positive:** The collapse in ecosystems and biodiversity presents an existential risk, but many in the finance and accounting community struggle to understand their role in responding to the emergency. Over the coming year, there are a number of key activities to help address this gap, including the UN's biodiversity conference, COP15, and the work of the Taskforce on Nature-related Financial Disclosures. A4S's focus will be on raising awareness of the role that the finance and accounting community can play and providing guidance in key areas, such as accounting for natural capital.

These three priority areas will permeate A4S's work – including communications, guidance, roundtables, network meetings and events.

Additionally, A4S has set a number of priorities for underlying operations to ensure A4S continues as a strong, resilient organization, as follows:

- **Finance:** Growing membership and implementing a new financial model for the A4S Academy to grow A4S's financial resources while also achieving impact. A4S will also focus on growing its fundraising income.
- **People:** Ensuring the people needed to deliver against our goals are in place, through retaining and developing our existing team and growing the team in key areas.
- **Technology:** Investing in technology to achieve efficiency and impact.

Reference and administrative details

Trustees

Robin Stalker (appointed 10 August 2021) – Chair
Paul Druckman (appointed 10 August 2021)
Judith Batchelar (appointed 10 August 2021)
Emma Howard Boyd (appointed 4 October 2021)
Russell Picot (appointed 4 October 2021)

Key management personnel

Jessica Fries – Executive Chair
Helen Slinger – Executive Director (to 22 October 2021)
Helen Foster – Director of Organizational Performance (from 4 October 2021)
Kerry Perkins – Head of Capital Markets
Susan Whyte – Head of CFO Programme
Joanne Henstock – Executive Director - Knowledge, Technical and Europe (from 18 October 2021)

Registered charity number

1195467

Registered address

8th Floor
9 Appold Street
London EC2A 2AP

Bankers

National Westminster Bank
208 Piccadilly
London W1J 9HE

Auditors

Saffery Champness LLP
71 Queen Victoria Street
London EC4V 4BE

Solicitors

Bates Wells & Braithwaite London LLP
10 Queen Street Place
London EC4R 1BE

Statement of responsibilities of the Trustees of Accounting for Sustainability

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards. The law applicable to charities in England and 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 charity and of the incoming resources and application of resources for the charity 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;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements; and,
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and enable them to ascertain to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees and signed on their behalf by:

Robin Stalker, Chair



26 January 2023
9 Appold Street
London EC2A 2AP

Independent auditor's report to the members of Accounting for Sustainability

Opinion

We have audited the financial statements of Accounting for Sustainability for the period ended 31 March 2022 which comprise the statement of financial activities, balance sheet, cash flow statement and notes to the financial statements, including 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 charity's affairs as at 31 March 2022 and of its incoming resources and application of resources for the year 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 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 Auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the trustees 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 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 auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

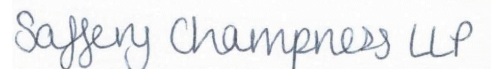
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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 trustees those matters we are required to state to them in an auditor's report and

for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in blue ink that reads "Saffery Champness LLP". The signature is written in a cursive, flowing style.

Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 27 January 2023

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities

For the period to 31 March 2022

	<i>Note</i>	General Fund £	Restricted Fund £	Total 2022 £
Income from:				
Amounts gifted by PWCF	2	621,614	54,309	675,923
Donations	3	1,118,411	176,717	1,295,128
Total incoming resources		1,740,025	231,026	1,971,051
Expenditure on:				
Raising funds		(19,566)	-	(19,566)
Charitable activities	4	(780,886)	(197,330)	(978,216)
Total expenditure		(800,452)	(197,330)	(997,782)
Net income/ (expenditure)		939,573	33,696	973,269
Net movement in funds		939,573	33,696	973,269
Fund balances brought forward		-	-	-
Fund balances carried forward		939,573	33,696	973,269

The notes on pages 20 to 27 form part of these financial statements.

Balance sheet

at 31 March 2022

	Note	2022 £	£
Fixed assets			
Intangible fixed assets	9	8,067	
Tangible fixed assets	10	<u>23,104</u>	
Total fixed assets			31,171
Current assets			
Debtors	11	392,731	
Cash at bank		<u>654,092</u>	
Total current assets			1,046,823
Creditors: amounts falling due within one year	12		(104,725)
Net current assets			<u>973,269</u>
Creditors: amounts falling due after one year			-
Total net assets			<u><u>973,269</u></u>
Funds			
General – unrestricted			939,573
Restricted			<u>33,696</u>
Total funds	13		<u><u>973,269</u></u>

The notes on pages 20 to 27 form part of these financial statements.

Approved on behalf of the Trustees on 26 January 2023



Robin Stalker, Trustee and Chair

Charity number: 1195467

Cash flow statement

For the period to 31 March 2022

	Note	Total 2022 £
Cash flows from operating activities:		
<i>Net cash provided by operating activities</i>	Table 1	665,855
Cash flows from investing activities:		
Purchase of fixed assets		(11,763)
<i>Net cash provided used in investing activities</i>		
<i>Change in cash and cash equivalents in the reporting period</i>		654,092
<i>Cash and cash equivalents at the beginning of the reporting period</i>		-
<i>Change in cash and cash equivalents due to exchange rate movements</i>		-
<i>Cash and cash equivalents at the end of the reporting period</i>	Table 2	654,092

Table 1: Reconciliation of expenditure to net cash flow from operating activities	£
<i>Net (expenditure)/ income for the period</i>	973,269
Adjustments for:	
Depreciation charges	3,599
Donated fixed assets	(23,007)
(Increase) in debtors	(392,731)
Increase in creditors	104,725
<i>Net cash provided by operating activities</i>	665,855

Table 2: Analysis of changes in cash

	At 10 August 2021 £	Cash flows £	At 31 March 2022 £
Cash	0	654,092	654,092

Notes

(Forming part of the financial statements)

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the charity's accounts. On 10 August 2021, A4S registered as a Charitable Incorporated Organization with a financial year end of 31 March. In its first reporting period A4S provides accounts for the period 10 August 2021 to 31 March 2022.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (second edition) – (Charities SORP (FRS 102)), the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and applicable charity law for England and Wales. The accounts 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 Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared in pounds sterling, which is the functional currency of the charity.

In the application of A4S's accounting policies, which are described below, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

A4S meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Assessment of going concern

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. They have reviewed cash flow forecasts for the charity and its commitments for the current financial period and conclude that it is appropriate to prepare these accounts under the going concern basis.

Income

Income is recognized when A4S has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations are recognized when A4S has been notified in writing of both the amount and settlement date or the monies have been received directly. In the event that a donation is subject to conditions that require a level of performance before A4S is entitled to the funds, the income is deferred and not recognized until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of A4S and it is probable that those conditions will be fulfilled in the reporting period.

Donated professional services and donated facilities are recognized as income when A4S has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from use of the item or service is probable and that economic benefit can be measured reliably.

On receipt, donated services and donated facilities are recognized on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognized in expenditure in the period of receipt.

Income includes funds recognized as earned (as the related goods or services are provided) under contract or where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities and is recognized where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Funds

Unrestricted funds are general funds that are available for use at the Trustees' discretion in furtherance of any of the objectives of the charity. Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose and the restriction means that the funds can only be used for specific projects or activities.

Expenditure

Expenditure is recognized once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Support costs

Governance and operational costs include those incurred in the governance by the Trustees of the charity's assets and the functions that assist the work of the charity but do not directly undertake charitable work. Such costs include rent, administrative costs, finance, personnel, IT and governance.

Pensions

A4S operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The amount charged to the Statement of Financial Activities represents the contributions payable to the scheme in respect of the accounting period.

Foreign currencies

Transactions in foreign currencies are recognized at the rate of exchange at the date of the transaction. Monetary assets and liabilities are translated into sterling at the exchange rate on the balance sheet date. All exchange differences are recognized through the statement of financial activities. The charity does not own any non-monetary assets abroad.

Taxation

The charity meets the definition of a charity for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received to the extent that such income or gains are applied exclusively to charitable purposes. Consequently, A4S has no liability to tax and no deferred tax.

Fixed assets and depreciation

Intangible and tangible assets are stated at cost and depreciated, using the straight line method, over their useful economic lives at the following rates:

Computer software	5 years
Computer equipment and mobile phones	5 years

Debtors

Trade and other debtors are recognized at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors

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

Notes (continued)

2. Amounts gifted from PWCF

The amounts gifted from PWCF fall into the following categories:

	General Fund £	Restricted Fund £	Total 2022 £
Current assets	645,929	54,309	700,238
Liabilities	(24,315)	-	(24,315)
Total gifted	621,614	54,309	675,923

3. Donated income

Donations for the period fall into the following categories:

	General Fund £	Restricted Fund £	Total 2022 £
Membership donations	1,010,778	176,717	1,187,495
Other donations	60,290	-	60,290
Donated services	47,343	-	47,343
Total donation income	1,118,411	176,717	1,295,128

Donated services relate to goods and services which have been provided free of charge including IT and software assets transferred by PWCF to A4S. Other donated goods and services include software, studio time, and filming and editing assistance.

4. Charitable activities

A4S's charitable activities comprise:

	Activities undertaken directly £	Support costs £	Total 2022 £
CFO programme	249,422	88,256	337,678
Capital markets programme	81,775	28,935	110,710
Knowledge and education programme	212,412	75,159	287,571
Engagement and communications	178,941	63,316	242,257
Total charitable activities	722,550	255,666	978,216

Support costs are allocated to the categories of charitable activities on a pro-rated basis, as it is not possible to allocate the costs on a specific basis.

5. Support costs

	General Fund £	Restricted Fund £	Total 2022 £
Salaries and employment	66,880	89,502	156,382
Consultancy	2,912	-	2,912
Communications and events	3,448	-	3,448
Legal and professional	13,055	-	13,055
Rent and other office costs	77,031	-	77,031
Depreciation	2,774	-	2,774
Other	64	-	64
Total support costs	166,164	89,502	255,666

The Trustees are not remunerated for their role and no travel expenses were reimbursed during the period. A4S does not have a dedicated governance support resource and the internal employee costs to support the Trustees are not material.

The support costs for the period include an accrued audit fee of £11,940.

6. Staff costs

The charity's staff costs are allocated as follows:

	2022 £
Salaries and wages	451,766
Social security	47,769
Pension and healthcare	28,933
Other benefits	5,447
Total staff costs	533,915

The key management personnel comprises direct employees of A4S, named on page 11. The total cost to A4S of the key management personnel is £245,461.

The charity paid £27,598 into a defined pension contribution scheme.

The average number of employees of the charity is:

	2022
Total full-time equivalent employees	19

Notes (continued)

The number of employees whose emoluments for the six month period fell within the following bands:

	2022
	£
£60,000–£69,999	1

7. Related party transactions

Amounts relating to A4S were transferred from PWCF to A4S. The amount transferred of £675,923 is set out in note 2 above.

At the period end PWCF, A4S's sole member, owed A4S £339,172 being the balance of funds due to A4S following the set up of the CIO. This amount is included in debtors as shown in note 111 below.

8. Office lease commitments

At 31 March 2022, A4S was under notice to leave its current office space at the end of July 2022. A4S was committed to pay approximately £22,800 to the end of the lease. A4S moved into its current registered address on 25 July 2022.

9. Intangible fixed assets

	Software
	£
Cost	
At 10 August 2021	-
Additions – donated by PWCF	5,559
Additions – purchased	3,483
Disposals	-
At 31 March 2022	<u>9,042</u>
Depreciation	
At 10 August 2021	-
Charge for the period	975
Depreciation on disposals	-
At 31 March 2022	<u>975</u>
Net book value 31 March 2022	<u>8,067</u>

10. Tangible fixed assets

	Computer equipment and mobile phones £
Cost	
At 10 August 2021	-
Additions – donated by PWCF	17,448
Additions – purchased	8,280
Disposals	-
At 31 March 2022	<u>25,728</u>
Depreciation	
At 10 August 2021	-
Charge for the period	2,624
Depreciation on disposals	-
At 31 March 2022	<u>2,624</u>
Net book value 31 March 2022	<u>23,104</u>

11. Debtors

	2022 £
Prepayments	53,559
Amounts owed by parent undertakings	<u>339,172</u>
Total debtors	<u>392,731</u>

12. Creditors: amounts falling due within one year

	2022 £
Trade creditors	37,958
Taxation and social security	26,724
Accruals	31,120
Other creditors	<u>8,923</u>
Total creditors	<u>104,725</u>

A4S has no creditors falling due after one year.

13. Analysis of movements in funds

	10 August 2021 £	Income £	Expenditure £	Balance 31 March 2022 £
Unrestricted fund	-	1,704,025	(800,452)	939,573
Restricted fund:				
CAF America	-	231,026	(197,330)	33,696
Total restricted funds	-	231,026	(197,330)	33,696
Total funds	-	1,971,051	(997,782)	973,269

	General fund £	Restricted fund £	Total 2022 £
Net assets			
Fixed assets	31,171	-	31,171
Current assets	1,013,127	33,696	1,046,823
Liabilities	(104,725)	-	(104,725)
Total funds	939,573	33,696	973,269

Amounts included in restricted funds relate to membership donations received through CAF America. The funds cannot be used to support any charitable aims in the US.

14. Controlling party note

A4S is controlled by PWCF, as the sole member of A4S. PWCF is a registered charity (1127255) and Private Limited Company (06777589) in England and Wales. PWCF's consolidated accounts that include A4S can be requested from PWCF's registered office at Orchard Place at The Broadway, Podium East, Broadway, London, SW1E 6RS.