

# **The Abstract Foundation**

## **Annual Report and Financial Statements**

For the year ended 30<sup>th</sup> March 2024

Registered Charity Number: 1196234

## **Legal and Administrative Information**

<b>Trustees</b>	Mr M L Glatman Mrs S Miles Mrs J L Ropner
<b>Charity Number</b>	1196234
<b>Principal Address</b>	10 Rose and Crown Yard King Street London SW1Y 6RE
<b>Auditor</b>	Xeinadin Audit Limited Oak House Market Place Bedale North Yorkshire DL8 1AQ
<b>Bankers</b>	Coutts & Co St Martins Office 440 Strand London WC2R 0QS

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# **Trustees' Annual Report**

For the period 31<sup>st</sup> March 2023 to 30<sup>th</sup> March 2024

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

## **Objectives and Activities**

The Foundation aims to improve the lives of young people aged 0 to 30 in the UK, in a significant and lasting way. We achieve this by bringing together donors so we can provide funding to support the work of outstanding organisations.

The objects of the CIO are to advance such charitable purposes (according to the law of England and Wales) as the trustees see fit from time to time, in particular, but not limited to:

- Advancing the education (including social and physical training) of young people for the public benefit, in such ways as the charity trustees think fit, in particular, but not exclusively, by providing grants to individuals in need and/or organisations that support such people; and
- Advancing in life and relieving the needs of young people, in such ways as the charity trustees think fit, in particular, but not exclusively, by providing grants to support activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals.

The trustees have had regard to the Charity Commission guidance on public benefit.

## **Grant Making**

We have carried out our objects by providing both unrestricted and restricted grants to organisations who work with and support young people. The Foundation has a Grant Making Policy which outlines the principles, criteria, and processes which we apply when awarding grants.

### **Our Priorities**

- Improving young people's access to career development and training opportunities, including apprenticeships, which will help them to improve their life chances, find employment or start a business;
- Improving young people's physical, mental or emotional wellbeing;
- Improving young people's skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
- Supporting young people who are experiencing or at risk of homelessness.

### **Our Approach to Grant Making**

- We want to apply best practice in our grant making and we endeavor to be as supportive and flexible as possible for our grantees.
- Where possible, the grants we make are unrestricted, or only lightly restricted (e.g. requiring them to be spent within a specific timeframe).
- We have regular contact with our grantees and request annual reports from them about the activities and outcomes which we have supported. If we award an unrestricted grant, we look at the overall activities and results of the organisations we have funded.
- We use our network of donors and contacts to provide grantees with additional support and resources.

## **Achievements and Performance**

### **Education**

#### **Netherhall School – £500,000 over 4.5 years (2022-2026)**

We continued our multi-year funding agreement with Netherhall School in Cambridge, to deliver two core programmes, and we are incredibly pleased with the progress made with both of these.

- **I<sup>3</sup>ntegrate** – creating and delivering a free programme of support and information for families throughout a student's educational life, via online content and in-person events.
  - The project has continued to be a great success with sustained interest from parents across a broad range of topics.
  - The school are so confident in the success and importance of this provision that they are making plans to set up an independent charity to ensure the work can continue and expand beyond the end of our funding agreement.
- **I<sup>3</sup>nnovate** – creating and delivering a distinct pathway, tailored towards students who experience barriers to engagement with traditional curriculums.
  - This project has also continued to be a great success, with engagement and behaviour improving for nearly all students.
  - We, and the school, are confident that this programme will help young people to find employment, improve their life chances and develop the skills they need to participate in, and contribute to, society.

#### **The Outdoor Guide Foundation – £5,100 for 170 sets of waterproofs and wellies**

- We made a small grant of £5,100 to The Outdoor Guide Foundation to provide 10 sets of waterproofs and wellies to 17 state primary schools in Cambridge (170 sets in total).
- A third of families whose children attend state primary schools live below the poverty line, and this often means they can't afford to buy wellies and waterproofs for their children.
- We believe, and research shows, that just being outside, whether learning or playing has huge benefits for children. These basic sets will ensure that all children have the opportunity to get outside, explore, learn, and enjoy nature.

### **Youth Homelessness (2022-23 funding round)**

In February 2023 (last financial year) we awarded the following grants:

- Rush House – £250,000 of unrestricted funding over 3 years, to be spent within 5 years.
- Safe and Sound Homes – £150,000 of unrestricted funding to be spent within 3 years.
- New Horizon Youth Centre – £100,000 of unrestricted funding to be spent within 3 years.

This year we awarded a grant of £500,000 to Park Lodge Project to fund their Employed and Supported Project.

We have had regular contact with grantees over the course of the year, and we are thrilled with the impact our grants are having on improving the lives of young people.

#### **Park Lodge Project – £500,000 for their Employed and Supported Project**

- The grant will be used to buy and furnish a 5-6 bedroom house, which will accommodate young people who are ready to start work, but who aren't ready to live independently.
- The aim of the project is to ensure young people can transition to, and sustain, long-term employment and independence. This will be transformational for many young people and will free up space within Park Lodge's main service for those who are in greater need of high-level support, by allowing people who are ready to move on, to do so.
- They have had an offer accepted on a suitable property and we are hopeful that the sale will be completed by the end of the summer.

### **Rush House – £250,000 of unrestricted funding over 3 years, to be spent within 5 years**

- The grant has allowed Rush House to hire a Life Skills Manager to improve the support young people receive, and a Business Development Manager to help them expand their property portfolio so they can support more young people.
- They finalised a new portal to deliver their pre-tenancy training, and this was successfully completed by 105 young people. They also expanded and updated their AQA offering and in the last year they have awarded 216 AQA certificates to 48 different young people.
- The grant has allowed them to expand the activities they provide to help young people improve their confidence, social skills, and wellbeing. A few highlights of the last year include regular cooking, walking and journaling sessions, visits to places and events including Museum of the Moon and Doncaster Pride, and, an 8 week self-defence course.
- They have secured a contract with the local authority for a new property with 5 x 1-bedroom flats and a communal area where they can bring young people together. The grant helped them to purchase furniture, white goods, inventory, and soft furnishings so the flats are fully equipped, welcoming and homely.

### **Safe and Sound Homes (SASH) – £150,000 of unrestricted funding to be spent within 3 years**

- This year, SASH has provided 13,291 bed nights to 130 unique young people; this includes 59 young people who were provided with emergency accommodation and 53 who were provided with longer-term accommodation (18 young people used both services).
- The grant has allowed them to invest significant time in improving and expanding their enhanced support programme which will enable young people to access more personalised support and guidance. As part of this process, they have started work on an app which will allow young people to book appointments with their Placement Coordinator, as well as to view and book counselling services, life skills modules and other activities.
- They also conducted an analysis of host data to identify the areas where they most needed new hosts, this data was then used to develop targeted recruitment campaigns.

### **New Horizon Youth Centre – £100,000 of unrestricted funding to be spent within 3 years**

- Over the last year, 1,199 young people engaged with New Horizon's services. They supported 236 young people into emergency accommodation, 169 into long term accommodation and 111 into education and employment opportunities. They also delivered their Lifeskills programme to 317 young people.
- They increased the number of days the centre is open from 4 to 5, and invested significant resources in running a more personalised service, for example by providing closed spaces for specialist provision, such as a young women's space on a Wednesday afternoon.
- They have made significant progress on their campaign for the government to adopt a cross-departmental strategy to end youth homelessness. The pledge has been signed by over 105 organisations and has been featured in several high-profile media outlets.

## **Financial Review**

Income for the year was £329,870 (2023: £1.3 million). This includes £5,100 (2023: £640,000) received from Abstract Securities Limited (ASL), and £250,000 (2023: £630,000) from other individual and corporate donors. Our overhead costs were £15,271 (2023: £20,580), all of which were covered by an unrestricted donation received from ASL. We made grants totalling £5,100 (2023: £534,000), with a further £500,000 (2023: £466,000) committed in multi-year funding agreements.

ASL is committed to providing unrestricted funds to cover all our overheads costs. This means that 100% of donations received from other donors, and 100% of restricted funds received from ASL, go to grant recipients.

## **Risk Management**

The trustees have considered the major risks to which the Charity is exposed, and they have policies, systems and procedures in place to mitigate them. Our principal operational risk is the extent to which the grants we award succeed in furthering our charitable objects. We manage this risk by conducting extensive due diligence and research into organisations before we award them with funding, and, where necessary, seeking advice from people and organisations with relevant expertise.

## **Fundraising**

The Foundation did not use online fundraising platforms and did not engage professional fundraisers or other commercial organisations to fundraise on its behalf. Donations were generated from organisations and individuals with direct contact with the trustees.

## **Reserves**

At 30th March 2024, the Foundation held a total of £118,446 in funds (2023: £308,947), of this £111,716 is restricted (2023: £287,500), and £6,730 is unrestricted (2023: £21,447). Given that The Abstract Foundation is a newly established CIO, which has been set up as a demonstration of the commitment of our main corporate funder (Abstract Securities Limited) to our charitable objects, the trustees have decided there is a relatively low risk of losing funding in the near future and therefore only a low level of reserves is needed. Our aim is to maintain approximately 3 months' worth of running costs as unrestricted reserves (≈ £10,000). Our agreement with ASL requires them to provide us with 3 months' notice to end our partnership; we therefore believe this will provide us with sufficient funds to ensure support and governance costs are covered whilst we secure alternative funding and/or fulfil any existing obligations.

## **Plans For Future Periods**

The next round of grants will be awarded at the end of 2024, and the trustees aim to award at least £1.5 million in funding. In order to achieve this, the trustees will undertake another, larger, round of fundraising from individual and corporate donors. We will also seek to partner with other charitable foundations to provide match funding.

We have identified the impact of social media and the internet on young people's mental health as our main funding theme for 2024. We have begun the process of conducting our own research to identify potential recipients and are confident that we will find excellent organisations to support.

## **Structure, Governance and Management**

### **Governing Document**

The charity is governed by its Constitution dated 21.10.2021, and constitutes a Charitable Incorporated Organisation (foundation structure).

### **Recruitment and Appointment of Trustees**

The governing document provides for a Board of Trustees which consists of up to seven persons. Trustees are appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment as charity trustees, the charity trustees have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

### **Trustee Induction and Training**

New trustees receive an induction to provide them with relevant background information and inform them of their obligations under charity law. During this induction, they are provided with a copy of the constitution, a copy of the latest Trustees' Annual Report and Statement of Accounts, and a copy of the Policy and Governance Handbook. Trustees are encouraged to attend relevant external training events.

### **Organisational Structure**

The Board of Trustees is responsible for overall governance of the charity and meets regularly throughout the year. A Consultant is engaged to assist the trustees with the day-to-day operations of the Foundation.

### **Related Parties**

Abstract Securities Limited (Company No/ 03949990) is a key donor to The Abstract Foundation. Mark Glatman is a director and person with significant control, and Stephanie Miles is a director. There is a clear Memorandum of Understanding which provides a framework for the relationship. The Parties acknowledge and agree that where any trustee of the Foundation is also a director or employee of Abstract Securities Limited, that trustee shall ensure that they avoid any conflicts of interest and act in good faith for the Foundation and its beneficiaries.

Further details of related party transactions can be found in note 13 to the accounts.

## **Reference and Administrative Details**

**Registered Charity Number** – 1196234

**Principal Address** – 10 Rose and Crown Yard, King Street, London, SW1Y 6RE

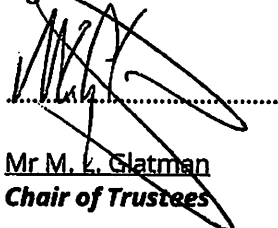
### **Trustees**

Mr M L Glatman

Mrs S Miles

Mrs J L Ropner

Signed on behalf of the Board of Trustees of The Abstract Foundation



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Mr M. L. Glatman  
**Chair of Trustees**

Date: 14<sup>TH</sup> AUGUST 2024

## **Statement of Trustees' Responsibilities**

For the period ended 30<sup>th</sup> March 2024

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

The law applicable to charities in England 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 of 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 in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material 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 operation.

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

# **Independent Auditor's Report**

To the Trustees of The Abstract Foundation

## **Opinion**

We have audited the financial statements of The Abstract Foundation (the 'charity') for the year ended 30 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 30 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 other information comprises the information included in the annual report other than the financial statements and our auditor's 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 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 financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, 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 cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement principal ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our knowledge and experience of the charitable sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the 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;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the charity's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgments and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with the company's legal advisors and any other relevant regulator or body.

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 is available on the Financial Reporting Council's website at: [https:// www.frc.org.uk/auditorsresponsibilities](https://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Other matters**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

#### **Use of our report**

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

*Xeinadin Audit Limited*

*20 August 2024*

**Xeinadin Audit Limited**

**Statutory Auditor**

Oak House, Market Place, Bedale, North Yorkshire, DL8 1AQ

Xeinadin Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

# Financial Statements

## Statement of Financial Activities

(including income and expenditure account)

Year Ended 30<sup>th</sup> March 2024

Notes	2024			2023		
	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
<b>INCOME FROM:</b>						
Donations and Gifts	-	317,600	317,600	40,000	1,287,500	1,327,500
Interest Receivable	254	12,016	12,270	2,027	-	2,027
<b>TOTAL INCOME</b>	<b>254</b>	<b>329,616</b>	<b>329,870</b>	<b>42,027</b>	<b>1,287,500</b>	<b>1,329,527</b>
<b>EXPENDITURE ON:</b>						
Fundraising Costs	-	-	-	3,391	-	3,391
<b>Charitable Activities</b>						
Education 2	764	5,100	5,864	6,675	500,000	506,675
Youth Homelessness 2	14,207	500,300	514,507	10,514	500,000	510,514
<b>Total Charitable Expenditure</b>	<b>14,971</b>	<b>505,400</b>	<b>520,371</b>	<b>17,189</b>	<b>1,000,000</b>	<b>1,017,189</b>
<b>TOTAL EXPENDITURE</b>	<b>14,971</b>	<b>505,400</b>	<b>520,371</b>	<b>20,580</b>	<b>1,000,000</b>	<b>1,020,580</b>
<b>Net Income/Movement in Funds</b>	<b>(14,717)</b>	<b>(175,784)</b>	<b>(190,501)</b>	<b>21,447</b>	<b>287,500</b>	<b>308,947</b>
Total Funds Brought Forward	21,447	287,500	308,947	-	-	-
<b>Total Funds Carried Forward</b>	<b>6,730</b>	<b>111,716</b>	<b>118,446</b>	<b>21,447</b>	<b>287,500</b>	<b>308,947</b>

The statement of financial activities includes all gains and losses recognised in the period.

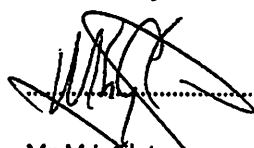
All income and expenditure derive from continuing activities.

## **Balance Sheet**

As at 30<sup>th</sup> March 2024

	Notes	2024 Funds £	2023 Funds £
<b><i>CURRENT ASSETS:</i></b>			
Debtors	8	3,435	58,980
Cash at bank and in hand		985,986	721,042
<b>TOTAL CURRENT ASSETS</b>		<b>989,421</b>	<b>780,022</b>
<b>Creditors: amounts falling due within one year</b>	9	<b>(770,975)</b>	<b>(188,075)</b>
<b>Net current assets:</b>		<b>218,446</b>	<b>591,947</b>
<b>Creditors: amounts falling after more than one year</b>	10	<b>(100,000)</b>	<b>(283,000)</b>
<b>NET ASSETS:</b>		<b>118,446</b>	<b>308,947</b>
<b><i>Income Funds:</i></b>			
Restricted funds:	11	111,716	287,500
Unrestricted funds:		6,730	21,447
<b>TOTAL FUNDS:</b>		<b>118,446</b>	<b>308,947</b>

The financial statements were approved by the Board of Trustees on 14<sup>th</sup> August 2024 and were signed on its behalf by:

  
 .....  
 Mr M L Glatman  
 Chair of Trustees

The notes form part of these financial statements.

**Statement of Cash Flows**

For the period ended 30<sup>th</sup> March 2024

	Notes	2024 £	2023 £
<b>Cash flows from operating activities:</b>			
Cash generated from/(absorbed by) operations	14	252,674	719,015
<b>Investment activities:</b>			
Investment income received		12,270	2,027
<b>Net cash generated from/(used in) investing activities</b>		12,270	2,027
<b>Net cash used in financing activities</b>		-	-
<b>Net increase in cash and cash equivalents</b>		264,944	721,042
Cash and cash equivalents at beginning of period		721,042	-
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		<b>985,986</b>	<b>721,042</b>

# **Notes to The Financial Statements**

## **1. Accounting Policies**

The Abstract Foundation is a charitable incorporated organisation established by a constitution and registered with the Charity Commission. The principal place of business is 10 Rose and Crown Yard, King Street, London, SW1Y 6RE.

### **1.1 Reporting Period**

The charity accounts cover the period from 31 March 2023 to 30 March 2024.

### **1.2 Accounting Convention**

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

### **1.3 Going Concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future and are not aware of any material uncertainty about the Foundation's ability to continue. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

### **1.4 Charitable Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

### **1.5 Income**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax

recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

### **1.6 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.

### **1.7 Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

### **1.8 Financial Instruments**

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

## 2. Charitable Activities

	Grant Funding 2024 £	Support Costs 2024 £	Total 2024 £	Grant Funding 2023 £	Support Costs 2023 £	Total 2023 £
Education	5,100	764	5,864	500,000	6,675	506,675
Youth Homelessness	500,000	14,507	514,507	500,000	10,514	510,514
<b>TOTAL</b>	<b>505,100</b>	<b>15,271</b>	<b>520,371</b>	<b>1,000,000</b>	<b>17,189</b>	<b>1,017,189</b>
<b>Analysis by fund</b>						
Unrestricted Funds	-	14,971	14,971	-	17,189	17,189
Restricted Funds	505,100	300	505,400	1,000,000	-	1,000,000
<b>TOTAL</b>	<b>505,100</b>	<b>15,271</b>	<b>520,371</b>	<b>1,000,000</b>	<b>17,189</b>	<b>1,017,189</b>

## 3. Grants Payable

The charity made the following material grants to institutions.

Recipient	Activity	2024 £	2023 £
The Outdoor Guide Foundation	Education	5,100	-
Netherhall School	Education	-	500,000
Park Lodge Project	Youth Homelessness	500,000	-
New Horizon Youth Centre	Youth Homelessness	-	100,000
Rush House Limited	Youth Homelessness	-	250,000
Safe and Sound Homes	Youth Homelessness	-	150,000
<b>TOTAL</b>		<b>505,100</b>	<b>1,000,000</b>

The value of grants to individuals was £0 (2023: £0). Further information is provided on pages 2-3 of the Trustees' Annual Report.

## 4. Support Costs

	2024 £	2023 £
Insurance	961	938
Consultancy	9,793	11,806
Bank Charges	616	245
Governance	3,600	4,200
Professional Fees	300	-
<b>TOTAL</b>	<b>15,271</b>	<b>17,189</b>

Governance costs includes payments to the auditors of £3,600 for audit fees (2023: £3,000).

## 5. Trustee Remuneration and Benefits

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period.

## 6. Employees

The average monthly number of employees during the period was 0 (2023: 0).

## 7. Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

## 8. Debtors

	2024 £	2023 £
<b>Amounts falling due within one year:</b>		
Interest Receivable	3,435	1,480
Gift Aid Receivable	-	57,500
<b>TOTAL</b>	<b>3,435</b>	<b>58,980</b>

## 9. Creditors (amounts falling due within one year)

	2024 £	2023 £
<b>Amounts falling due within one year:</b>		
Grants Payable	766,000	183,000
Accruals and Deferred Income	4,975	5,075
<b>TOTAL</b>	<b>770,975</b>	<b>188,075</b>

Grants payable includes £100,000 committed to Netherhall School (2023: £100,000), £166,000 committed to Rush House Limited (2023: £83,000) and £500,000 committed to Park Lodge Project (2023: £0). The commitments will be funded from donations already received.

## 10. Creditors (amounts falling after more than one year)

	2024 £	2023 £
<b>Amounts falling due after more than one year:</b>		
Grants Payable	100,000	283,000
<b>TOTAL</b>	<b>100,000</b>	<b>283,000</b>

Grants payable includes £100,000 committed to Netherhall School (2023: £200,000), payable in a final instalment 2025. The commitment will be funded from donations already received.

## 11. Restricted Funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

<i>Year Ended 30th March 2024</i>				
	<b>Opening Funds</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Closing Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Education	-	8,715	(5,100)	3,615
Youth Homelessness	287,500	320,901	(500,300)	108,101
<b>TOTAL</b>	<b>287,500</b>	<b>317,600</b>	<b>(505,400)</b>	<b>111,716</b>

<i>Year Ended 30th March 2023</i>				
	<b>Opening Funds</b>	<b>Incoming Resources</b>	<b>Resources Expended</b>	<b>Closing Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Education	-	500,000	(500,000)	-
Youth Homelessness	-	787,500	(500,000)	287,500
<b>TOTAL</b>	<b>-</b>	<b>1,287,500</b>	<b>(1,000,000)</b>	<b>287,500</b>

## 12. Analysis of Net Assets Between Funds

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<i><b>Fund balances at 30 March 2024 are represented by:</b></i>			
Current Assets/(Liabilities)	6,730	211,716	218,446
Long Term Liabilities	-	(100,000)	(100,000)
<b>TOTAL</b>	<b>6,730</b>	<b>111,716</b>	<b>118,446</b>

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<i><b>Fund balances at 30 March 2023 were represented by:</b></i>			
Current Assets/(Liabilities)	21,447	570,500	591,947
Long Term Liabilities	-	(283,000)	(283,000)
<b>TOTAL</b>	<b>21,447</b>	<b>287,500</b>	<b>308,947</b>

## 13. Related Party Transactions

During the year the Foundation received donations of £5,100 from Abstract Securities Limited (2023: £640,000), a company in which Mark Glatman is a director and a person with significant control and Stephanie Miles is a director. Further information is provided in the Trustees' Report.

## 14. Cash Generated from Operations

	2024 £	2023 £
Surplus / (Deficit) for the Year	(190,501)	308,947
<b>Adjustments for:</b>		
Investment Income Recognised in Statement of Financial Activities	(12,270)	(2,027)
<b>Movements in Working Capital:</b>		
(Increase) / Decrease in Debtors	55,545	(58,980)
Increase / (Decrease) in Creditors	399,900	471,075
<b>CASH GENERATED FROM / (ABSORBED BY) OPERATIONS</b>	<b>252,674</b>	<b>719,015</b>

## 15. Analysis of Changes in Net Funds / (Debt)

The charity had no debt during the year.