



Report & Financial Statements

Registered charity number: 1197304

For the year ended 31st October 2023

Contents

Trustees' Annual Report	1 – 8
Independent Examiner's Report	9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Financial Statements	13 – 17



Trustees' annual report

For the year ended 31st October 2023

Trustees

Andy Gregory (Appointed 20 February 2024)
Stephen Welton CBE (Resigned 26 February 2024)
Neil Inskip
Michelle Hill
Alistair Brew
Philip Male
Fiona Lowry

Charity registered number 1197304

Address

BGF Foundation
Watergate House
13-15 York Buildings
London
WC2N 6JU

Independent Examiner

Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP



BGF staff volunteering at Little Village's baby bank.

Objectives and Activities

The objects of the Foundation are to advance such charitable purposes, according to the law of England and Wales, as the trustees see fit from time to time.

Business Growth Fund Ltd (BGF) launched the Foundation in 2022 to provide support and grants to small and mid-sized charities working to improve the life outcomes of young people in the UK.

Our Strategy

The mission of the BGF Foundation in 2023 is to support young people.

Young people in the UK face significant challenges, and many feel they face substantial barriers to success, prosperity and engagement. The cost-of-living crisis has resulted in increased economic uncertainty and mental health concerns for young people.

It is clear the challenges for young people are significant, and for those from poorer backgrounds it is even more difficult.

Young people have aspirations for long-term employment, financial security and good mental health. Despite the challenges, young people feel they can achieve their goals but need practical support in managing these challenges and help in building their confidence and skills.

The BGF Foundation has supported organisations focused on helping young people. It focused on the areas where BGF's donations, skills, networks and knowledge can make the most impact. These are:

- **Enterprise**
- **Education**
- **Employment**
- **Mental health**
- **Physical wellbeing**

The BGF Foundation provides unrestricted funding to charities and supports them with pro bono support to scale and grow. BGF's expertise in growth, and sector knowledge in enterprise, education and health means it can support the Foundation's work with organisations looking to scale in these areas.

We also want to engage the expertise in BGF's 15 regional offices. We know that regional teams best understand their local context and are well placed to support young people and charities looking to make a difference in their community.



Achievements

Partnership Grants

The Foundation made two 'Partnership Grants' to MyBnk and Leadership Through Sport and Business (LTSB). These grants will provide unrestricted funding of £300,000 for each charity over two years. The grants were awarded to support the growth of these charities and enable them to increase their impact.



MyBnk

MyBnk is the largest financial education charity for young people. They work with schools, youth organisations, local authorities and directly with young people to provide them with financial education and make better money choices. MyBnk delivers this through education programmes and workshops that bring money to life, covering topics such as saving, budgeting, debt, independent-living, and student finance. With support from the Foundation, MyBnk will continue its growth plans to reach more young people by expanding its operations, investing in its people, and increasing its presence nationwide.

MyBnk have a commitment to growing their sector-leading impact and evidence base, including further monitoring their social return on investment and more detailed impact at both a regional and national level. By scaling their business model, they aim to benefit from cost efficiencies and operational effectiveness. MyBnk are passionate about maintaining their programme quality and outcomes as they grow. They also want to ensure that their delivery aspirations and impact model is sustainable, ensuring that MyBnk can continue to empower more generations across the UK.



Stories of Impact – MyBnk



'The Money House' is Mybnk's course for 16–25 year-olds who are currently in or about to make the transition into independent living. With sites in London, Scotland and the Midlands, the project helps young people manage their money, avoid homelessness and move towards financial freedom. The course is packed with topics that instil practical, financial and digital skills to help participants pay their rent on time, keep up with bills and budget their living costs.

Glody is an 18-year-old care leaver who did The Money House back in 2021. 18 months on, here's what she had to say about the course and how it's helped her manage her money better.

"The Money House has helped me a lot, especially with me moving into semi-independence. I'm now having complete financial control over what I do and what I spend – there's no one breathing down my neck saying, "you've got to do this, you've got to do that". It's also given me a sense of comfort. In general, I'd say that I'm quite

confident with money, but I think my major worry is saving and not spending on stupid things. The course has helped me reflect. I'm saving for driving lessons, which I've met the target for, and I'm also saving for a car, though it's slightly expensive so there's still a long way to go. As for long-term money goals, I've set the target of having a mortgage by age 30.

In terms of young people leaving care, I think it's important that we have these types of courses as, from what I've experienced, you go from getting frequent payments to turning 18 and being kind of on your own. I'd strongly encourage other young people to do The Money House course. It's very beneficial in the long run and you'll also be awarded with a certificate.

To me, financial freedom is the joy of receiving my pay cheque and knowing that that's all my hard work gone in there. And the joy of having my own money and the choices it gives me."





Leadership Through Sport and Business (LTSB)

LTSB is a social mobility charity that prepares and supports young people from disadvantaged backgrounds into meaningful roles with major firms including PWC, NatWest, RBS and Lloyds Bank. Their programmes focus on three aspects: employability, education and long-term employment. Young people receive interview coaching, CV training, and workshops and events with leading companies and business professionals. They receive expert tutoring and accredited qualifications before and during the apprenticeship placements. Once young people are placed in apprenticeships in major firms, they are supported with pastoral support from careers development managers and professional support from corporate mentors in the first 12 months.

Funding from the Foundation, combined with skills-based pro bono support from BGF and its networks, will enable LTSB to continue to grow sustainably, efficiently and deliver meaningful impact. The support will enable LTSB to form a strong evidence base for equity, diversity and inclusion in regard to youth social mobility and influence key stakeholders in the way that they support disadvantaged young people.

Stories of impact – Leadership Through Sport and Business



Kiranjit was 19 when she applied to the LTSB Digital Programme and was living in Newham in East London with her mum who is a part time care worker and her dad who is disabled and cannot work.

Kiranjit left school with good grades and dreams of a professional career however was unable to go university to gain a degree as her two shift work jobs contributed to her family's income. She couldn't progress in either of the two roles or save enough to have a break from working. She had looked at traditional apprenticeships however she wasn't getting through the initial application filtering stages and when she did, she didn't excel in interviews due to a lack of confidence and experience. She was aware the apprenticeship wage would leave her with less in her pocket anyway and she would still require a part-time job. Kiranjit was desperate to demonstrate her capabilities and realise her potential. She wanted an opportunity equal to her peers and ultimately a career that was fulfilling and rewarding and which would lift her, and her family, out of poverty.

Kiranjit joined the LTSB Digital Programme in July 2022 and impressed her Career Development Manager straight away. With some tailored support from him to help her with her confidence and interview skills, she excelled in an interview with global bank NatWest at the end of her bootcamp. She was offered a Level 4 Software Developer apprenticeship and started in post in October 2022. Her starting salary means she can concentrate on her training, exams and progression whilst ensuring her family is supported.

Her Career Development Manager remains in regular contact with Kiranjit as she continues to adapt to the role. She is doing incredibly well. Kiranjit says:

"I was able to see a huge difference from how I was at the start of the bootcamp compared to the end. I'm really glad that I went for this opportunity that LTSB offers because I am finally seeing what I can become as a person and grow from there".

Community grants

Throughout the year 'Community Grants' of £5,000 each were made to 14 charitable organisations throughout the UK proposed by BGF members of staff. These causes aligned with the Foundation's charitable purposes and help these organisations to cover vital core costs.

Grants were made to organisations such as Oxfordshire Youth, an innovative youth development charity that serves as a primary pillar for organisations working with young people in the region. The cost-of-living crisis has escalated challenges of inequality and youth mental health, and their services are in the highest demand since the charity's beginning in 1947. Oxfordshire Youth have successfully mobilised in response, and this action, combined with inflation and rising prices, has caused core costs to increase. In addition to providing core funding, the Foundation is also working closely with Oxfordshire Youth to provide pro bono support to improve the efficiency and effectiveness of their operations.

One of our key aims is to utilise the expertise of BGF staff and portfolio companies to provide high-quality pro bono support for charities to help them achieve their goals and increase their impact.

The BGF teams have actively engaged with Community Grant charities, showcasing our commitment beyond financial support. The London investment and HR teams have provided assistance to Little Village in their Hounslow and Brent sorting hubs. Similarly, the Scotland team has supported Sunshine Wishes Charity, and an investor from the Midlands has assisted the Miss Macaroon charity with their financial modelling.

The BGF teams have embraced fundraising activities to further support the BGF Foundation's initiatives. A Tough Mudder event and the London Marathon run collectively raised over £4,000 for the BGF Foundation.

Future plans

In the coming financial year, we intend to continue our focus on young people by providing grants to charities and providing pro bono support through staff and the wider BGF network.

We plan to provide multi-year unrestricted grants to organisations supporting young people with one or more of our five areas of focus. We will look for organisations with strong management teams, finance and governance, and robust impact measurement. We can best support entrepreneurial organisations, who are looking to scale their work and already have growth plans in place. The Foundation will hold open funding rounds to enable eligible charities from throughout the UK to apply for funding.

We know that pro bono support has the potential to be as transformative as unrestricted funding. The BGF Foundation benefits from the support of BGF and its networks and believe this significant knowledge and experience will help the charities we support scale and grow more quickly. We plan to further invest in facilitating high-quality skills-based pro bono support that engages an increased number of staff members.

Financial Review

The Foundation had a surplus of £410,203 (2022: £100) resulting in total funds held at year end of £410,303 (2022: £100).

Reserves Policy

The Foundation holds reserves for the purpose of paying the grants it has awarded and anticipated expenditure in the event of closure.

Risk Management

The Foundation maintains a risk register that is reviewed quarterly. All identified risks have mitigation actions, deadlines, and designated owners for implementing actions and reviewing progress. The highest identified risks relate to long-term funding, board governance, and safeguarding. To mitigate these risks, the Foundation has implemented a number of actions, including close coordination with senior BGF stakeholders on future funding, a skills audit of the board of trustees and planned recruitment of new trustees, and the development and adoption of a robust safeguarding policy and relevant due diligence processes.

Structure, governance and management

BGF Foundation is a charitable incorporated organisation (CIO) registered with the Charity Commission for England and Wales on 29 December 2021. The Foundation is governed by its constitution.

The Board of Trustees consists of trustees nominated by BGF and appointed trustees. There should be not less than two nor more than six appointed trustees; and not less than one nor more than six nominated trustees. Apart from the first charity trustees, every charity trustee appointed by the charity trustees must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees.

During the financial year the board consisted of three nominated trustees and three appointed trustees. In selecting individuals for appointment as appointed trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO. During the year the trustees received training and guidance on their responsibilities as trustees.

The charity trustees will make available to each new charity trustee, on or before their first appointment a copy of the current version of the constitution and a copy of the Foundation's latest Trustees' annual report and statement of accounts.

Day-to-day responsibility for managing the Foundation is delegated to a Chief Operating Officer.

The Foundation has a services agreement with its corporate sponsor, BGF.



Statement of Trustees' responsibilities

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

Charity law requires the Trustees to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the Trustees are required to:

- **select suitable accounting policies and then apply them consistently;**
- **comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;**
- **state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;**
- **make judgements and estimates that are reasonable and prudent;**
- **prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.**

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011.

The Trustees 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.

Approved by the Trustee on: 5th April 2024 Date

and signed on its behalf by:  Trustee

Independent examiner's report to the trustees' of BGF foundation

I report to the Trustees on my examination of the accounts of BGF Foundation for the year ended 31 October 2023.

Responsibilities and basis of report

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


I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

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

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



Adam Fullerton (FCA DChA)

For and on behalf of Moore Kingston Smith LLP
Chartered Accountants

6th Floor
9 Appold Street
London EC2A 9AP

Date: 5 April 2024

Statement of financial activities

For the year ended 31st October 2023

		----Unrestricted Funds----		
	Notes	General Fund 2023 £	Total Funds 2023 £	Total Funds 2022 £
INCOME AND ENDOWMENTS FROM:				
Donations and legacies:-				
Donations received	2	970,755	970,755	100
TOTAL INCOME		970,755	970,755	100
EXPENDITURE ON:				
Charitable activities	3	560,552	560,552	-
TOTAL EXPENDITURE		560,552	560,552	-
NET INCOME/(EXPENDITURE)		410,203	410,203	100
Gross transfer between funds	9	-	-	-
NET MOVEMENT IN FUNDS		410,203	410,203	100
RECONCILIATION OF FUNDS				
Total funds brought forward as at 1st November	10	100	100	-
BALANCES CARRIED FORWARD AS AT 31st OCTOBER 2023	10	410,303	410,303	100

All amounts relate to continuing activities.

Balance sheet

As at 31st October 2023

	Notes	2023 £	2022 £
CURRENT ASSETS			
Investments	6	100	-
Debtors	7	291,666	-
Cash at Bank		269,841	100
CURRENT LIABILITIES			
Creditors – falling due within one year	8	151,304	-
NET CURRENT ASSETS		410,303	100
Total assets less current liabilities		410,303	100
NET ASSETS		410,303	100
UNRESTRICTED FUNDS			
General Fund	10	410,303	100
		410,303	100

Approved by the Trustee and authorised for issue on:

and signed on its behalf by:

5th April 2024

Date



Trustee

Cash flow statement

For the year ended 31st October 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	11	269,741	100
Cash flows from investing activities		-	-
Cash flows from financing activities		-	-
Change in cash and cash equivalents in the year		269,741	100
Cash and cash equivalents at the beginning of the year		100	-
Cash and cash equivalents at the end of the year		269,841	100

The notes on pages 13 to 17 form part of these financial statements.

Notes to the financial statements

For the year ended 31st October 2023

1 Accounting policies

(a) Basis of Preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP) and the Charities Act 2011.

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 pound.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

(b) Fund Structure

The General Fund is a fund which the Trustees are free to use in accordance with the charitable objects.

(c) Income

All income is recognised in the Statement of Financial Activities (SOFA) when the conditions for receipt have been met, the amount is measurable and receipt is probable.

Grants and Donations Receivable

Grants and Donations are recognised in the SOFA when conditions for receipt have been complied with.

(d) Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. The following accounting policies are applied to the different categories of expenditure:

Charitable Activities

Grants payable are recognised when they are approved by the Trustees and the recipient of the grant has been informed of the amount to be paid.

Governance Costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory independent examiner fees together with support costs.

(e) Investments

Investments are stated at market value at the Balance Sheet date. The SOFA includes the net gains and losses on revaluation and disposals throughout the year.

Notes to the financial statements

For the year ended 31st October 2023

1 Accounting policies (Continued)

(f) Going concern

The Trustees have assessed whether the use of the going concern basis is appropriate and has considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. After making enquiries the Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

(g) Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(h) Cash and cash equivalents

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

(i) Key Estimates and Judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements.

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Notes to the financial statements

For the year ended 31st October 2023

	2023 £	2022 £
2 DONATIONS RECEIVED		
Business Growth Fund Limited	966,667	-
Just Giving	4,088	-
Individual Donors	-	100
	970,755	100
3 CHARITABLE ACTIVITIES		
The charity awarded donations to a number of institutions in furtherance of its charitable activities.		
Befriend a Child	5,000	-
The Children's Heartbeat Trust	5,000	-
Cwtch Baby Bank	5,000	-
Free to Be Kids	5,000	-
Home Link Family Support	5,000	-
The Joshua Tree	5,000	-
Leadership through Sport and Business	150,000	-
Let's Feed Brum – Soup Kitchen	5,000	-
Little Village	5,000	-
Miss Macaroon	5,000	-
MyBnk	150,000	-
Simon on the Street	5,000	-
Sunshine Wishes	5,000	-
Veterans Outreach	5,000	-
The Welcome Organisation	5,000	-
Oxfordshire Youth	5,000	-
	370,000	-
Support and governance costs (see note 4)	190,552	-
Total	560,552	-
4 SUPPORT AND GOVERNANCE		
Travel expenses	714	-
Hotels & accommodation	125	-
Recruitment costs	3,000	-
Staff Entertainment	26	-
Membership & subscriptions	1,530	-
Bank charges	26	-
Consultancy fees*	177,223	-
Governance costs		
Independent examiner fees	7,740	-
	190,552	-

*These relate to the Chief Operating Officer's cost re-charged from Business Growth Fund Limited for the period April 2022 to October 2023.

Notes to the financial statements

For the year ended 31st October 2023

	2023 £	2022 £
5 RELATED PARTY TRANSACTIONS		
<p>During the year the charity received donations of £966,667 (2022: £nil) from Business Growth Fund Limited, a company with common Directors/Trustees. A balance of £291,666 (2022: £nil) relating to accrued donations from Business Growth Fund Limited was owing at year end. During the year Business Growth Fund Limited also re-charged costs of £177,223 (2022: £nil) to the charity (see note 4). A balance of £7,023 (2022: £nil) was owed to Business Growth Fund Limited at year end.</p> <p>No Trustees received remuneration during the year. One (2022: none) trustee was reimbursed £342 relating to travel costs.</p>		
6 INVESTMENTS		
Investment in Long Term Incentive Plan of BGF Investments LP	100	-
7 DEBTORS		
Other debtors		
Business Growth Fund Limited	291,666	-
	291,666	-
8 CREDITORS		
Due within one year		
Trade creditors	7,023	-
Accruals	84,562	-
Consultancy fees payable	59,719	-
	151,304	-
9 FUND TRANSFERS		
No fund transfers have been made.		
10 ANALYSIS OF NET ASSETS BETWEEN FUNDS		
	General Fund 2023 £	Total Funds 2023 £
Current Assets		
Investments	100	100
Cash & Bank	269,841	269,841
Debtors	291,666	291,666
Creditors due within one year	(151,304)	(151,304)
Total	410,303	410,303
	General Fund 2022 £	Total Funds 2022 £
Current Assets		
Cash & Bank	100	100
Debtors	-	-
Creditors due within one year	-	-
Total	100	100

Notes to the financial statements

For the year ended 31st October 2023

	2023 £	2022 £
11 RECONCILIATION OF OPERATING SURPLUS TO NET CASH INFLOW FROM OPERATING ACTIVITIES		
Net operating income	410,203	100
Purchase of investment	(100)	-
(Increase)/decrease in debtors	(291,666)	-
Increase/(decrease) in creditors	151,304	-
Net cash inflow from operating activities	269,741	100

BGF
FOUNDATION