

The Esprit Foundation
(a charitable company limited by guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

Company Number CE029070
Charity Number 1198436

THE ESPRIT FOUNDATION
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FOR THE PERIOD ENDED 31 MARCH 2023

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THE ESPRIT FOUNDATION

LEGAL AND ADMINISTRATIVE DETAILS

FOR THE PERIOD ENDED 31 MARCH 2023

Trustees

Stuart Malcolm Chapman
Rupinder Kaur Ashworth
Vincent Alfred O'Brien

Registered Office

20 Garrick Street
London
WC2E 9BT

Company number:

CE029070

Charity number:

1198436

Accountants:

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Independent Examiner:

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Solicitors

BDB Pitmans LLP,
One Bartholomew Close,
London
EC1A 7BL

Bankers

HSBC Innovation Banking,
Alphabeta, 14-18 Finsbury Square,
London,
EC2A 1BR

THE ESPRIT FOUNDATION

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 MARCH 2023

The Trustees present their annual report and financial statements of The Esprit Foundation (the **Charity**) for the period ended 31 March 2023. The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the Charity's CIO Constitution, the Charities Act 2011 and the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Report Standard applicable in the UK and Republic of Ireland (FRS102).

Structure, governance and management

The Charity is a charitable incorporated organisation which was registered with the Charity Commission on 30 March 2022. The Charity's governing document (i.e. its Constitution) is based on the 'association' model with its sole member being Molten Ventures PLC (previously Draper Esprit PLC) with registered company number 09799594.

The Constitution requires there to be at least three Trustees. Trustees are appointed by the member and must retire by rotation; Trustees are eligible for re-appointment and may serve no more than three consecutive terms unless the remaining Trustees unanimously recommend to the member that it would be in the Charity's best interest for a particular Trustee to serve an additional term. On or before their appointment as a Trustee, the Trustee will be given a copy of the Constitution and the Charity's latest Trustees' annual report and statement of accounts.

The names of all those who were the Charity's Trustees on the date the report was approved are listed on page 2.

Objectives and activities

The objects of the Charity as stated in its Constitution are:

"for such charitable purposes as the Trustees think fit including but not exclusively, the advancement of education for the public benefit and especially those under the age of 30, in particular but not solely by the promotion and understanding of:

- (a) the use and application of technology and technological research; and*
- (b) business and entrepreneurship."*

The Charity has in place policy guidelines that outline the factors to which the Trustees should have regard when determining whether to make a grant.

Achievements and performance

The income for the year was £250,000 as a result of a donation of £250,000. In the financial year, the Charity did not make any grants.

In the next financial year, the Charity plans to make grants with two initial grants of £25,000 in the pipeline, both of which are focussed upon social mobility and access to entrepreneurship (with an emphasis on young people) in alignment with the Charity's objects.

Financial review

During the year, the Charity raised donations of £250,000. The Charity did not make any grants. Funds carried forward at the year-end were £239,210.

The Charity maintained ample funds during the year to meet all associated costs, liabilities and grants.

Having regard to the quantum of donations received; level of expenses and liabilities incurred; and volume of grants (nil), the Charity did not operate a formal reserves policy during the period, but is committed to adopting one in the next financial year which will set out the minimum level of free reserves that the Charity will maintain in order to cover all (i) ongoing governance, support and operational costs; (ii) grants that the Charity has committed to award; and (iii) additional grant requests which the Trustees may approve from time to time.

THE ESPRIT FOUNDATION

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 MARCH 2023

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonably assurance against fraud and error. The Trustees will continue to develop appropriate methodologies to manage major risks as the operations of the Charity are developed.

Going concern

The Trustees are satisfied that there will be no long term impact on the going concern of the Charity.

Public benefit statement

The Trustees, having regard to the public benefit guidance published by the Charity Commission in accordance with

section 17 of the Charities Act 2011, consider that the purposes and activities of the Charity satisfy the requirements of the public benefit test set out in section 4 of the same Act. The Charity carries out these objects by providing grants to individuals and organisations whose objects comply with the Charity's criteria.

The Accounts

The accounts comply with statutory requirements.

Trustees' responsibilities in relation to the financial statements

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 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 of the Charities SORP;
- make judgements and accounting 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 ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Constitution. 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.

Approved by the Trustees on 5 December 2023 and signed on their behalf by:

DocuSigned by:

Stuart Chapman

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Stuart Chapman

Date: 5 December 2023

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE ESPRIT FOUNDATION

FOR THE PERIOD ENDED 31 MARCH 2023

I report to the Trustees on my examination of the accounts The Esprit Foundation for the year ended 31 March 2023 which are set out on pages 6 to 12.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act"). The trustees are satisfied that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed the applicable directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's income is in excess of £250,000, your examiner must be a member of a body listed in the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a registered member of the Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.



Siobhan Holmes
Haysmacintyre LLP,
10 Queen Street Place
London
EC4R 1AG
Date: 11 December 2023

THE ESPRIT FOUNDATION**STATEMENT OF FINANCIAL ACTIVITIES (Incorporating income and expenditure account)****FOR THE PERIOD ENDED 31 MARCH 2023**

	Note	Total 2023 £
Income from:		
Donations and legacies	3	250,000
Interest		10

Total income		250,010

Expenditure on:		
Charitable activities		
Other expenditure	5	10,800

Total expenditure		10,800

		10,800

Net movement in funds		239,210
Reconciliation of funds:		=====
Reconciliation of funds:		
Total funds brought forward		
		239,210
Net movement in funds		

Total funds carried forward		239,210
		=====

All of the Charity's funds in the current year were unrestricted.

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

The notes set out on pages 9 to 12 form an integral part of these financial statements.

THE ESPRIT FOUNDATION**BALANCE SHEET****FOR THE PERIOD ENDED 31 MARCH 2023****Company number: CE029070**

	Note	2023 £
Current assets		
Cash at bank and in hand		250,010

		250,010
Creditors: amounts falling due within one year	8	(10,800)

Net current assets		239,210

Total assets less current liabilities		239,210

Total net assets		239,210
		=====
Charity funds		
Unrestricted funds	9	239,410

Total funds		239,410
		=====

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

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

These financial statements were approved and authorised for issue by the Trustees on 5 December 2023 and signed on its behalf by:

DocuSigned by:

Stuart Chapman

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Stuart Chapman

Trustee

The notes set out on pages 9 to 12 form an integral part of these financial statements.

THE ESPRIT FOUNDATION
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2023

	Note	2023 £
Cash flows from operating activities		
Net cash used in operating activities	11	250,010 -----
Change in cash and cash equivalents in the reporting period		250,010 -----
Cash and cash equivalents at the end of the period		250,010 =====

The notes set out on pages 9 to 12 form an integral part of these financial statements.

THE ESPRIT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2023

1. General information

The Esprit Foundation, the 'Charity' is a company limited by guarantee, charity number 1198436 and company number CE029070 registered in England and Wales. Its registered office is 20 Garrick Street, London, WC2E 9BT.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance of with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practise 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Esprit Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going Concern

After making appropriate enquiries, the Trustees have a responsible expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for the other purposes.

2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

2.5 Expenditure

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

Grants payable are charged in the period when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the period end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

THE ESPRIT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

2 Accounting policies *(continued)*

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Creditors and provisions

Creditors and provisions are recognised where the company 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 that obligation can be measured or estimated reliably. Creditors and provisions are initially recognised at transaction value as none represent a financing transaction. They are only derecognised when they are extinguished.

2.9 Critical accounting judgements or estimation

The trustees do not consider there to be any significant judgements or sources of estimation uncertainty in relation to the preparation of the financial statements.

2.10 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

3. Income from donations and legacies

	Total Funds 2023 £
Donations	250,000

	250,000
	=====

THE ESPRIT FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2023

4. Analysis of Grants

During the year the Foundation made no grants.

5. Other expenditure

	Total Funds 2023 £
Audit and accountancy fees	10,800

	10,800
	=====

6. Staff costs

During the period, there were no staff costs.

7. Trustees remuneration and expenses

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

8. Creditors: Amounts falling due within one year

	2023 £
Trade creditors	3,600
Accruals and deferred income	7,200

	10,800
	=====

THE ESPRIT FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS****FOR THE PERIOD ENDED 31 MARCH 2023****9. Statement of Funds**

	Income £	Expenditure £	Balance at 31 March 2023 £
Unrestricted funds			
General Funds – all funds	250,010	(10,800)	239,210
	-----	-----	-----
	250,000	10,8000	239,210
	=====	=====	=====

10. Analysis of net assets between funds

	Total Funds 2023 £
Current assets	250,010
Creditors due within one year	(10,800)

Total	239,210
	=====

11. Analysis of cash and cash equivalents

	2023 £
Cash at bank	250,010

Total cash and cash equivalents	250,010
	=====

12. Related party transactions

During the period, donations of £250,000 were received from the chair of The Esprit Foundation. The chair is a director of Molten Ventures PLC a connected company.