



The Virgin Foundation known as Virgin Unite

*(a company limited by guarantee)*

Report and Consolidated Financial Statements

**For the period ended  
31 December 2021**

Company No: 2155645 (England and Wales)  
Charity No: 297540

# Virgin Unite Annual Report 2021

## Contents

	Page
<b>REPORT OF THE TRUSTEES</b>	3
<b>LETTER FROM THE TRUSTEES</b>	4
<b>STRATEGIC REPORT</b>	6
<b>GOVERNANCE AND FINANCIAL REVIEW</b>	24
<b>FINANCIAL STATEMENTS</b>	34

# Virgin Unite Annual Report 2021

## REPORT OF THE TRUSTEES

### President

J. Oelwang

### Chair

H.K.T. Branson

### Virgin Unite UK Board of Trustees

H.K.T. Branson

V. Branson

A. Ahmed

P. Norris (resigned 13 June 21)

J. Oelwang

N. Richards

J. Brady

A.E Stirling (appointed 13 June 21, resigned 27 January 22)

N. Humphries (appointed 3 August 22)

### Secretary

C.M. Howes

Company Number: 2155645 - Registered in England and Wales

Charity Number: 297540

Registered office: 7 Savoy Court, London, WC2R 0EX

Auditor: KPMG LLP, 15 Canada Square, London, E14 5GL

Solicitors: Harbottle & Lewis, 7 Savoy Court, London, WC2R 0EX

Bankers: Lloyds TSB Bank plc. PO Box 72, Bailey Drive, Gillingham Business Park, Gillingham, Kent, ME8 0LS

# Virgin Unite Annual Report 2021

## LETTER FROM THE TRUSTEES

A personal message from Holly Branson and Jean Oelwang, on behalf of Virgin Unite



2021 has been a truly unprecedented time – and we write this letter almost two years on since COVID-19 was declared a global pandemic. This is heightened by the perfect storm of the pandemic, plus the planetary crisis and the escalation of conflicts around the world, making it even harder for communities without resources to recover from the pandemic. This cluster of global crises has sparked a new awareness of just how broken our underlying systems are, from capitalism, to philanthropy, to global governing systems, and beyond. We see this as a window of opportunity to leverage our communities to help reinvent these systems to better serve all of humanity and the planet, whilst at the same time we will continue to work to end needless suffering and tackle unacceptable issues.

In 2021 we increased our efforts on the planetary crisis. We are honoured to be working with the scientist, Johan Rockström to see how we might be able to bring together a collective to help lift the importance of the Planetary Boundaries science and to catalyse solutions to help us get back to a safe operating space where people and planet can thrive together. We also continued to get behind our core partners in this area, like RMI, Ocean Unite, and the Caribbean Climate Smart Accelerator. We worked with them and other partners like The Elders and The B Team to collectively take action at COP26 to support the Climate Vulnerable Nations Forum and to ignite other critical actions, such as opening up the conversation to end environmentally harmful subsidies.

The pandemic overstretched health systems all over the world and the knock-on effects of delayed routine and preventive care, increased mental health burden, long term effects of COVID, economic losses, will have ripples of negative impact for decades to come. In 2021, we put significant effort into working with a group of partners to incubate and coordinate The Africa Donor Collective, a group of over 100 foundations that came together to support the work of the Africa CDC, the Africa Public Health Foundation, and to help strengthen public health systems across the continent. This collective helped to mobilise more than \$80 million in funding to support institution strengthening and specific initiatives such as, oxygen, vaccines, and increasing the number of health workers.

# Virgin Unite Annual Report 2021

Companies also have a great opportunity to support their team members in the wake of the lasting effects of the pandemic. We increased our efforts with 100% Human at Work, an initiative created back in 2014 in partnership with The B Team to inspire change and scale action to create a better future of work for humanity. 2021 saw the launch of 100% Human at Work's new website, the publishing of The Future of the Workplace: The Human Experience and developments to create a digital 100% Human diagnostic tool, aimed to help organisations understand where they are on the journey to becoming 100% Human.

The Audacious Project which we helped to incubate with TED, Skoll, ELMA, Scott and Signe Cook, Bridgespan, and other partners, is now fully run by TED and continues to deliver ground-breaking solutions, with nine new projects fully funded with \$920 million in the 2021 cohort. We have the honour of continuing to invest in many of these projects, including The End Fund, Sightsavers, and Last Mile Health to ensure that they have the resources to save lives and to stop unacceptable illnesses like trachoma from needlessly causing someone to go blind.

And, after a sixteen-month hiatus, the Virgin Unite team restarted our high-impact, in-person experiences halfway through the year reuniting the Constellation community with an incredible line up of frontline leaders to raise funds for a wide range of initiatives. This included continuing to support many unacceptable issues, like ending the death penalty, reforming the criminal justice system, ending the war on drugs, and igniting action for a more just world for communities like the Rohingya.

None of the above would have been possible without our wonderful community, collaborating to challenge unacceptable issues and change systems and business for good. This annual report celebrates many of the projects, initiatives and wonderful partners that Virgin Unite have been fortunate enough to work alongside.

We will continue to drive this critical impact forward in 2022, in line with our broader purpose to be visionary, be brave, and be human in everything we do.

With gratitude,



**Holly Branson, Chair of Trustees**



**Jean Oelwang, President and Founding CEO**

# Virgin Unite Annual Report 2021

## STRATEGIC REPORT

### HOW WE WORK

**Purpose:** Challenging the unacceptable

**Vision:** To catalyse a more just and sustainable world

**Mission:** Connecting people and entrepreneurial ideas to change systems and issues for good.

Virgin Unite has split our main activities into the following key areas:

- Building impact communities - The Constellation
- Large scale collaborative initiatives that Virgin Unite has incubated
- Audacious Ideas grant portfolio
- Other initiatives: A Healthy Planet for All, Unacceptable Issues, and Equality
- Local Entities in Australia and Canada

'Virgin Unite' consists of Virgin Unite UK (with its subsidiary, the Trading Company), Virgin Unite USA, Virgin Unite Australia, and Virgin Unite Canada. We also note that Virgin Unite has substantial control and influence over Unite BVI. This report shows the work of all of the entities. Where an entity is not mentioned, it relates to either or both Virgin Unite UK and Virgin Unite USA, which are operationally and strategically very closely linked. Virgin Unite Australia, Virgin Unite Canada and Unite BVI are listed separately, as they have more specific areas of focus.

### CONSTELLATION

The Constellation is at the core of Virgin Unite. It is a community of 2,500 people collectively working to multiply positive change in the world. Virgin Unite hosts a number of events, called 'gatherings' where we bring the community members together around a specific topic or cause, and fund raise for a range of charitable initiatives (including Virgin Unite and partner organisations). We spark change with this group in a number of ways:

- Collectively come together around a specific initiative
- "Match-make" people with resources to some of the best of the best impact leaders and initiatives
- Inspire people to put purpose at the core of their lives – whether that is within their companies or stepping up in their philanthropy.
- Challenge people to never accept the unacceptable.

This group includes philanthropists/entrepreneurs and our frontline leaders (called 'Northstars') from all sectors. Over the years, **the Constellation has raised well over \$22m** (equivalent to £16m) **in funding to support impact projects (\$13m direct funding to Unite for projects, and \$9m direct funding to projects).** **It has also had over \$160m** (equivalent to £118k) **in indirect impact.**

# Virgin Unite Annual Report 2021

Here are some key highlights from 2021:

- After a 16-month long hiatus, the Constellation team was able to successfully restart their high-impact, in-person experiences.
- We hosted four Unite-led and partner-led gatherings (R360, Kelleher, Elders, and Disrupting for Good) as well as participated in six partner-curated gatherings. All-in-all, our 2021 gatherings generated £1.2m in 2021.
- In balancing our ability to resume in-person experiences with keeping everyone safe and healthy, the Constellation team worked incredibly closely with Necker and Moskito Island's teams throughout the year to ensure all health and safety protocols were enforced—going above and beyond the BVI's minimum requirements. Of the 160 individuals our four Unite-led and partner-led gatherings brought together, we're thrilled to report we had zero confirmed cases of COVID.

## LARGE SCALE COLLABORATIVE INITIATIVES

Over the past 17 years the incubation and subsequent growth of Virgin Unite's large scale collaborative initiatives, or 'Global Leadership Initiatives' has had a major positive effect on some of the biggest global challenges of our time. We are fortunate to be collaborating with such morally courageous organisations.

It starts with an unacceptable issue – a systems challenge and an entrepreneurial solution. Our approach to incubation is then similar to launching a business, we build the plan, raise the capital via a founding circle, recruit a leadership team, help transition the initiatives to become independent, continue to support them to scale impact and then phase out our funding, but continue to work closely where relevant from an impact perspective. Collaboration is core to our approach from the beginning. We co-create, co-fund and co-own the idea, building it and nurturing it with others every step of the way.

## INCUBATE COURAGEOUS COLLECTIVES



# Virgin Unite Annual Report 2021

In 2021, as well as supporting the initiatives with time and expertise, we also provided financial support of £1.1m in grants awarded to these initiatives.

Here is a snapshot of what we did in 2021.

## The Elders

**Date of Launch: 2007**

**Virgin Unite funding in 2021: £137k**

**Stage: Fully independent, scaling impact**

**Advisory Council member**

The Elders are an independent group of global leaders working together for peace, justice and human rights. Working both publicly and through private diplomacy, their mission is to engage with global leaders and civil society at all levels to resolve conflict and address its root causes, to challenge injustice, and to promote ethical leadership and good governance.

Key highlights from 2021 include:

- To address the global need for a state of hope, The Elders embarked on a week of online talks and discussions in mid-July, reflecting on Nelson Mandela's legacy and examining its relevance to today's challenges. The **State of Hope** talks feature Mary Robinson, Zeid Raad Al Hussein, Hina Jilani and Juan Manuel Santos as they discussed our **planet's shared challenges, the fight for human rights, justice and peace building**.
- Ellen Johnson Sirleaf and Ernesto Zedillo, opened the **Skoll World Forum** with lessons learned from the past year about what leaders must do in times of crises. Both Elders were part of the board of the Independent Panel for Pandemic Preparedness and Response (IPPPR), and the group as a whole did significant work on how the world should **respond to future pandemics**.
- The Escazú Agreement can now enter into force across Latin America and the Caribbean, following its ratification by Mexico. The Elders advocated for ratification of this landmark treaty with several key governments. The agreement is the region's first **environmental treaty** and it contains specific provisions relating to human rights defenders in environmental matters.
- During 2021, The Elders have spent a large amount of the year engaging with the UN and UN Security Council and continue to advocate publicly and privately for a strong multilateral recovery from the pandemic. This has included encouraging the UN to show strong leadership and holding G20 leaders to account for their responsibilities through private letters and meetings.
- The Elders' most recent public meeting with the UNSC in September 2021 saw Mary Robinson speak about a range of issues including **nuclear weapons, conflict**, and the need for the Security Council to be united and coordinated. Lakhdar Brahimi drew on his considerable expertise of Afghanistan and addressed the Council solely on this issue.

Virgin Unite partnered with The Elders to host an event aimed at securing financial support for the work of The Elders. The event was a success, with new donors providing support direct to The Elders and an existing donor indicating a further multi-year grant.



# Virgin Unite Annual Report 2021

## The B Team

**Date of Launch:** 2013

**Virgin Unite funding in 2021:** £123k

**Stage:** Fully independent, scaling impact

**Board member**

The B Team are working to redefine the culture of accountability in business, for their companies, communities and future generations, by creating and cascading new norms of corporate leadership that can build a better world.

Key highlights from 2021 include:

- In April, The B Team launched their six episode, conversation-based podcast series: “10x Bolder: Unlocking Leadership In All Of Us”, including one episode featuring **Sir Richard and Holly Branson**. The podcast is dedicated to unlocking the moment a leader has decided to align their values with their ability to influence issues that matter to them.
- Netflix released a powerful new feature documentary, **Breaking Boundaries: The Science of Our Planet**, which follows the scientific journey of world-renowned scientist, Professor Johan Rockström. The B Team and Johan hosted a private preview event with a targeted group of CEOs to drive more business action. **As part of this event, Virgin Unite helped develop the ‘Planetary Innovation Map for CEOs’** – a simple framework and on-ramp to help companies integrate science-based targets for each of the Planetary Boundaries into their business practices.
- The B Team’s **‘Change Who to Change How’ campaign** aims to ensure a gender-balanced and racially diverse leadership in the private sector by 2025. The Generation Equality Forum at the end of June was a transformative global moment for gender equality, with meaningful engagement from the private sector including 40 new commitments to gender equality and over \$12 billion in funding pledges.
- **B Team Leaders and Virgin Unite showed up in force at COP26**, teaming up to (1) bring together business leaders and the Climate Vulnerable Forum in a show of solidarity, and (2) convening high-level discussions on reforming environmentally harmful subsidies. Virgin Unite also supported B Team leaders to garner support for international standards for corporate ESG reporting and helped influence key global stakeholders to keep the target of staying within 1.5 degrees alive.

## RMI (Carbon War Room)

**Date of launch:** 2009

**Virgin Unite funding in 2021:** £nil

**Stage:** Fully independent, scaling impact

**Board member**

Virgin Unite and a group of partners incubated and launched Carbon War Room in 2009, which merged with Rocky Mountain Institute (RMI) in 2018. RMI has now grown to a \$120m+ (equivalent £87m+) to organisation with over 400 people and significant impact. In 2021 Virgin Unite supported RMI with an extensive review of their board – aiming to have new board members in place in mid-2022 alongside a robust advisory council. We will continue to support RMI’s programmatic work where it aligns with our strategy and, through our advocacy and voice, continue to highlight the importance of their work and impact to a broader audience and potential funders.

# Virgin Unite Annual Report 2021

Key highlights from 2021 include:

- In October, RMI publicly launched the Mission Possible Partnership (MPP) alongside core members, unveiling decarbonization strategies for three heavy carbon industries they're working with: steel, aviation, and shipping. Critically, MPP plans are backed by key players in their respective industries. Prior to the announcement, Virgin Unite worked to secure Virgin Atlantic's membership in the group.
- RMI secured **\$10m (equivalent to £7.3m) from the Bezos Earth Fund**, the first eight-figure gift in their history. This is indicative of the type of exponential growth they've experienced over the past few years. They have moved from a primarily US focused organisation to a widely sought after and respected one that works with governments (e.g. China and India) and industries (particularly hard-to-abate sectors) around the world toward a clean energy future. Virgin Unite helped to lay the foundation for their global expansion by funding and helping to secure other donors for some of their early work in Africa and the Caribbean. They have also secured large scale wins for a number of initiatives Virgin Unite helped to spark, for example on Methane, Emerging Market transition plans, and low carbon transportation.
- **'Run on Less Electric'**, the real-world trucking roadshow run by RMI and North American Council for Freight Efficiency (NACFE) – which Virgin Unite has continued to profile and uplift since its genesis with the Carbon War Room in 2014 - studied electric trucks as they delivered freight across North America. The 13 trucking teams that took part in roadshow followed their regular routes and generated incredible results, **showing that tremendous CO2 savings (roughly 100 million metric tons of CO2) can be made by the US and Canada transitioning their medium-and heavy-duty trucks to these tried-and-tested electric vehicles.**
- RMI concluded the **Global Cooling Prize** – an innovation competition to incentivise and accelerate the development of residential cooling solutions with at least 5x lower climate impact than today's standard AC units. **Sir Richard Branson gave opening remarks at the awards ceremony and announced winners:** Gree Electric Appliances, Inc. of Zhuhai with partner Tsinghua University + Daikin with partner Nikken Sekkei Ltd. The two winning teams were each awarded \$500k to support the commercialisation of their technologies.
- **RMI partnered with Unite BVI to support the Anegada microgrid and Cox Heath solar PV project.** They are planning to leverage parallel funding to roll out a capacity building programme with BVIEC (British Virgin Islands Electricity Corporation) via an externship initiative.

## Ocean Unite

**Date of launch: 2015**

**Virgin Unite funding in 2021: £115k**

**Stage: Fully independent, scaling impact**

**Board member**

The CEO of Ocean Unite played a strong role in starting the Ocean Risk and Resilience Action Alliance, which Ocean Unite then merged with to leverage further impact. The Ocean Risk and Resilience Action Alliance (ORRAA), co-chaired by Ocean Unite, has grown from strength to strength. The UK announced its membership of ORRAA in May and at COP26 Canada announced a \$9.0m grant (equivalent to £6.5m) to extend its support.

# Virgin Unite Annual Report 2021

Key highlights from 2021 include:

- Through an informal working group comprised of Ocean Unite, The Nature Conservancy, Caribbean Biodiversity Fund and the Caribbean Challenge Initiative, a set of high-level dialogues with Ministers yielded a **political declaration in support of ambitious action on 30x30 that has been endorsed by key Caribbean governments.**
- The BVI government is set to launch a partnership with the Waitt Institute, which will advance BVI's work on **Marine Protected Areas guided by the 30x30 target and activate a Blue Economy Roadmap for the BVI.** The High Seas Alliance has further deepened its engagement in the region by holding the first of a series of Caribbean targeted events to advance awareness of the High Seas negotiations. Through a partnership with the Blue Nature Alliance, Ocean Unite has delivered a comprehensive analysis to support 30x30 engagement in the Caribbean.
- **Ocean Unite led the policy and coordination hub for RISE UP,** a joint call to action by civil society, fisherfolk, Indigenous people and philanthropic organizations on the need for bold action to safeguard the ocean. The network now boasts more than 500 organisations, and the diversity of RISE UP's membership is helping to push the ocean dialogue into the mainstream.

## Big Change

**Date of launch: 2012**

**Virgin Unite funding in 2021: £230k**

**Stage: Fully independent, scaling impact**

Big Change wants to see a society where every young person is set up to thrive in life, not just exams. So that even in times of constant change, every child will feel emboldened to contribute positively to the world around them. Big Change believes that this is everyone's business. All parts of society, including parents, employers, and civil society, need to work together to support young people and schools. Virgin Unite supports Big Change with core funding.

Key highlights from 2021 include:

- Big Change's Emergent Needs and Opportunities cohort made waves in 2021, with Parent Ping **data being used in Government decision-making**, HeadsUp launching its offer for Local Authorities, and EasyPeasy increasing its **reach to over 100,000 families** and gearing up for its launch in Australia.
- Big Change's partner Voice 21 supports schools and teachers across England to develop student's speaking skills and improve the quality of talk in their classrooms. Voice 21 recently released an impact report which showed that they are **impacting over 290,000 students and that oracy is making a significant difference to students' education.**
- ImpactEd are **developing England's first teacher-led evidence and action-research platform.** Their recent impact stats showed that 86% of their partners reported that they were influencing major shifts in their focus on impact and 80% reported that they had been able to use ImpactEd's work to positively impact on pupil outcomes.
- In 2021, Big Change also hosted their first ever **STRIVE BVI on Necker Island**, with several **Virgin Unite community members in attendance** and sizeable commitments made from them.

# Virgin Unite Annual Report 2021

## The NewNow

Date of launch: 2019

Virgin Unite funding in 2021: £95k

Stage: Incubating

The NewNow is a group of seven future focused leaders collectively inspiring a rising generation to shape decisions for tomorrow's world.

Key highlights from 2021 include:

- In 2021, Virgin Unite awarded \$131K (£95k) of grants issued to the NewNow leader's organisations with additional funds going to Safe Hands for Girls (\$31k, equivalent to £23k), African Youth Initiative Network (AYINET) (\$25k, equivalent to £18k), the Ecosystem Impact Foundation (\$25k, equivalent to £18k), The Africa Center (\$25k, equivalent to £18k), and Digital Citizen Fund (\$25k, equivalent to £18k) to support with the evacuation of staff during the initial phase of the crisis in Afghanistan.
- Virgin Unite engaged NewNow leaders **Roya Mahboob and Farwiza Farhan to join Virgin Unite's flagship gathering, Disrupting for Good, on Necker Island** at a speaking engagement for Beta Gamma Sigma, focused on the SDGs. **Farwiza also joined Sir Richard and Sam Branson at COP26**, facilitated by Virgin Unite, this year to moderate a virtual fireside chat on the importance of nature and biodiversity.
- The NewNow leaders have received communications support throughout the year via Virgin's platform on a range of different topics, and recently **co-authored a blog on vaccine equity**.

Key highlights in 2021 from the New Now Leader's Organisations:

- **Safe Hands for Girls** is a women-led organization dedicated to helping women and girls that have gone through FGM or are at risk of going through the practice. Safe Hands for Girls supported 300 survivors and former circumcisers through their gardening initiative and the grant helped start a new garden and rebuild a temporary fence following a devastating fire.
- **Ecosystem Impact** addresses globally significant conservation issues in Sumatra, including wildlife poaching and industrial expansion of palm oil resulting in habitat loss. Ecosystem impact supported the launching of five new conservation and regenerative agriculture projects, including a regenerative coconut replanting scheme, Selaut female Ranger scheme, Simileue Songbird Conservation, Babi and Lasia community rangers support as well as the development of a marine conversation area.
- **African Youth Initiative Network (AYINET)** provides medical and psychological rehabilitation for people who have been affected by war in Uganda, and engages and empowers young people as leaders. AYINET reached and engaged 500,000 vulnerable women under 30 years of age through a gender sensitisation media campaign. AYINET trained 200 women as community gender focal points who are now working as community liaisons. Finally, AYINET continued to run a shelter in central Kampala for victims of sexual and gender-based violence, with an average of three women a week provided with sanctuary.

# Virgin Unite Annual Report 2021

- In 2021, Virgin Unite Australia made a grant to AYINET of AU\$77k (equivalent to £43k). Virgin Unite Australia donated to AYINET for the purposes of providing direct relief to victims of conflict and violence in Uganda, with a particular focus on youth, crisis interventions and health at the time of the COVID-19 pandemic. The granted funds were to be used to resume payment of the salaries of thirteen key staff members who were providing relief on the ground in Uganda (e.g. social workers, teachers, medical professionals). This allowed AYINET to continue their work in providing medical and psychosocial rehabilitation as a form of remedy for people affected by war in Uganda.
- **The Africa Centre** aims to transform the world's understanding of Africa, its Diaspora, and the role of people of African descent in the world. Based in New York, it serves as a hub for the exchange of ideas related to the continent, advances thought, and empowers action around Africa's global impact on our collective futures. Virgin Unite's funds helped further the offering of the Policy Centre by supporting the delivery of a speaker series on climate, the launch of a Global Media Index in partnership with Africa No Filter and the hiring of a Policy Director.

## 100% Human at Work

**Date of launch: 2014**

**Virgin Unite funding in 2021: £19k (plus £182k operational funding)**

**Stage: Incubating**

100% Human at Work is currently being incubated and sits within Virgin Unite, funded by donors.

100% Human at Work was founded on the belief that the time has come for business to start thinking of people as human beings and not as resources - moving away from maximising profits and profitability to focus on how we can help people achieve their highest potential and purpose, which will naturally positively impact the bottom line.

Our movement has brought together an extraordinary network of over 500 organisations and individuals around the world, who are shaping a vision for a better future of work, testing ideas and driving change.

We aim to lead the conversation, encourage collaboration and innovation, set the benchmark, facilitate learning and drive bold action, guided by our 100% Human at Work values of Equality, Respect, Growth, Belonging and Purpose.

Key highlights from 2021 include:

- Throughout the Covid period we hosted online **Action Labs for the community** focused on diversity and belonging, culture and creativity and collectively solving challenges during lockdown.
- Across 2021, the 100% Human team have hosted a series of **community workshops bringing together members from Australia, the UK, and the US to co-create the 100% Human at Work Diagnostic Tool** - a tool which aims to help organisations think about where they are on the journey to becoming a 100% Human organisation. Data collected from the tool will be used to develop an annual report focused on the state of the working world.
- **The Future of the Workplace** – The Human Experience . A conversation paper exploring what creating mentally healthy workplaces and teams might look like for the future of work, released in November 2021.

# Virgin Unite Annual Report 2021

## The Caribbean Climate Smart Accelerator

Date of launch: 2018

Virgin Unite funding in 2021: £375k

Stage: Transitioning from incubating to fully independent

The Caribbean Climate-Smart Accelerator (CCSA) identifies and fast-tracks public and private investment opportunities that support climate action paired with economic growth. This enables Caribbean countries to build resilient infrastructure and societies, create jobs and advocate to ensure that the region achieves its ambition to become the world's first 'climate smart' zone. In 2021, CCSA is finalising its transition out of Virgin Unite and to a fully independent entity.

Key highlights from 2021 include:

- **CCSA is piloting a Resilience Scorecard with five Caribbean countries.** It showcased the scorecard to other states outside the region at **COP26** and further meetings have been secured with the US State Department. The Scorecard, selected as the **most outstanding solution for climate resilience at IRAC 2020**, measures factors such as existing infrastructure, food security, transportation and renewable energy generation. It's a tool which will help states attract investment to address the gaps in their climate resilience and catalyse partnerships across the region to tackle common challenges.
- Also at **COP26**, CCSA worked with **Scotland's First Minister, Nicola Sturgeon**, to seed a fund for loss and damage for Small Island Developing States (SIDS). CCSA also met with former **US President Barack Obama**, who has pledged his support for regional climate resilience.
- In August, CCSA signed a memorandum of understanding with the Intrinsic Exchange Group (IEG), allowing them to take **'Natural Asset Companies'** public through the New York Stock Exchange. This will generate additional investment in nature-based ecosystem services and is currently being tested with two projects. If successful, CCSA will have a strong model to generate investment into regional conservation projects.
- **CCSA has signed a cooperation agreement with the Caribbean Centre for Renewable Energy and Energy Efficiency (CCREEE) – a specialised energy agency of the CARICOM.** Together they will provide early-stage support for regional and national renewable energy projects, and R&D on new energy efficiency technologies.
- CCSA has secured \$234k (equivalent to £170k) from Templeton World Charity Foundation to fund their **'Climate-Smart Road Mapping'** of the Caribbean, enabling them to establish in-depth science-based baselines and set out a clear journey towards climate resilience for the region.

# Virgin Unite Annual Report 2021

## The Africa Donor Collective

Date of launch: 2020

Virgin Unite funding in 2021: £nil

Stage: Incubating

Since April 2020, Virgin Unite has worked with an extraordinary group of partners like Skoll and the Gates Foundations, and together they have hosted the Africa Donor Collective (ADC); convening a group of donors, foundations, and partners to catalyse and coordinate philanthropy and business mobilisation to help stop the spread of COVID-19 in Africa and to help strengthen public health systems across the continent.

The ADC has brought together a community of over 100 organisations and individuals, collaborating to share learnings, to share projects and due diligence, and most importantly, to help lift the impact of the Africa CDC.

With the support of core partners and the Africa Donor Collective subgroups, Virgin Unite has coordinated all meetings and events, briefings, and programming/agendas for these convenings. This Collective has helped us to stand up the right initiatives – shining a light on the right actors, at the right time.

Key highlights from 2021 include:

- **Mobilising \$12.5m (equivalent to £9.1m) in direct funds to support Africa CDC's vaccine deployment programme**, which supported the acquisition and distribution of critical doses for four countries across the continent.
- Through Unite's role in convening the Africa Donor Collective, we helped raise \$42m (equivalent to £31m) raised in direct funds (by connecting donors with the Africa CDC / other partners), with a further \$38m (equivalent to £28m) in indirect funds (where donors already had existing relationships with partners) as at December 2021.
- **Hosting a number of events in partnership with Africa CDC and other core partners to present funding opportunities** around the following topic areas: core funding for Africa CDC's capacity building, community health workers, oxygen, digital and data, vaccines, leveraging philanthropy for pandemic preparedness and strengthening collaboration and partnerships across the continent.



# Virgin Unite Annual Report 2021

## AUDACIOUS IDEAS

Virgin Unite, Skoll Foundation, Scott and Signe Cook, TED, and others worked together to help incubate the Audacious Project. Now housed at TED, The Audacious Project is a funding initiative that encourages the world's greatest changemakers to dream bigger. The Audacious Project then shapes their ideas into viable multi-year plans and launch them to the world alongside visionary philanthropists. Virgin Unite joined forces with the Audacious Project in 2015 with a commitment of £36m (\$48m), including £5.5m dispersed in 2021, supporting three projects. This year, we have been actively working to increase this to include a further six, which will kick off in 2022, and making the total commitment of £43m (\$57m).

### Sightsavers

**Date of launch: 2018**

**Virgin Unite funding in 2021: £2.6m**

*Audacious goal:* Eliminate trachoma trichiasis (TT) as a public health problem in 10 countries: Benin, Burkina Faso, Cameroon, Cote d'Ivoire, Guinea, Guinea-Bissau, Kenya, Senegal, Tanzania and Zimbabwe.

In 2017's Audacious Ideas gathering, Sir Richard Branson committed alongside four other funders towards a 5-year programme to accelerate the elimination of Trachoma.

- Since 2017 Sightsavers has **delivered over 14.4m treatments for neglected tropical diseases (NTDs)**.
- In 2021 Sightsavers also **delivered over 19m treatments for neglected tropical diseases (NTDs)**: 13.1m azithromycin treatments and 6.2m Oncho/ Lymphatic Filariasis and Schistosomiasis treatments, treating 4.35m people. This was achieved despite local and global challenges, not least the COVID-19 pandemic.
- The Accelerate programme has now cumulatively managed 46,600 TT cases, provided 32.3m NTD treatments (26.1m trachoma and 6.2m non-trachoma).

### Last Mile Health + Living Goods

**Date of launch: 2018**

**Virgin Unite funding in 2021: £2.1m**

*Audacious goal:* deploy more than 49,800 digitally empowered Community Health Workers, providing on-call home health to over 34m people in four years.

- Through networks in Kenya, Uganda, Liberia, Malawi, and Ethiopia, and with new partnerships developing in Sierra Leone and Burkina Faso the partnership has deployed 17,344 digitally enabled Community Health Workers to date, reaching more than 9.7m people and delivering over 5.7m lifesaving treatments to children under five.
- COVID-19 infection cycles are predicted to last longer in sub-Saharan Africa as it lags behind the rest of the world in terms of vaccination. Both organisations are continuing to support government-led response efforts to mitigate these challenges and increase access to lifesaving vaccines.
- Unite funding was completed in 2021, with a no cost extension approved to allow work to continue in 2022.



# Virgin Unite Annual Report 2021

## The END Fund

Date of launch: 2019

Virgin Unite funding in 2021: £760k

*Audacious goal* : target up to 50m people annually with treatment and sanitation and hygiene behaviour change strategies in order to accelerate progress towards eliminating worm infections such as soil-transmitted helminths (STH) and schistosomiasis (SCH) in Ethiopia, Zimbabwe, and Rwanda.

- Delivered 26.8m critical deworming treatments across the four countries to approximately 20.4m people to treat and prevent parasitic worm infections.
- Launched a partnership together with Power of Nutrition, UNICEF, and Action Against Hunger to integrate deworming into nutrition programming in Ethiopia, thus ensuring young children and mothers at-risk of infection are treated.
- In collaboration with country governments, launched innovative microplanning efforts in Kenya and Rwanda to better identify where people in need of treatment are located and ensure no one is left behind.
- Launched Economist Intelligence Unit's findings on the macro-economic gains that could be made if elimination goals are met in the four countries.

## A HEALTHY PLANET FOR ALL

Virgin Unite has long been committed to tackling climate change and protecting nature from incubating the Carbon War Room (now merged with RMI), Ocean Unite, the Caribbean Climate Smart Accelerator (see above for these) and Unite BVI (an organisation incubated and consolidated under Virgin Unite), to strong global advocacy for species and habitat protection. This year we have been exploring and preparing to launch a number of large-scale initiatives – in particular one that will drive significant attention, funding and application of the Planetary Boundaries concept as a global operating system; and one that will look to significantly expand mangrove restoration and conservation across the Caribbean as a way to better protect islands from storms, increase biodiversity and store carbon. We have also deepened our work to advocate for reforming environmentally harmful subsidies as a key way to address the significant need for global climate financing, and are looking at new ways to support sustainable aviation in collaboration with RMI.

Other key highlights from 2021 not already mentioned above:

- Since **Unite BVI's** 2020 grant to the Centre for Applied Marine Sciences to **start a mangrove nursery**, over 2,500 mangrove propagules have been cultivated and more than 1,240 propagules have been out-planted to nine areas identified as critically important sites for restoration. It's projected over 1,110 tonnes of carbon will be captured over their lifetime. Virgin Unite and Unite BVI's advocacy across donor networks has led to an additional \$70k (equivalent to £51k) in donations to scale the impact of this mangrove restoration programme. We are looking to grow from this to a region-wide mangroves initiative in partnership with the Caribbean Climate-Smart Accelerator.

# Virgin Unite Annual Report 2021

- **Virgin Unite re-ignited its support to Unite BVI on the BUGOUT programme.** BUGOUT BVI is a Public Health initiative, which aims to reduce the spread of mosquito-borne diseases by curbing mosquito populations. Specifically, the project targets the species of mosquito known to transmit the following viruses, each of which are major public health threats in the BVI: Dengue, Chikungunya and Zika.
- **Unite BVI launched 'Unite for the Sea'** which sponsors swim, snorkel and dive programmes for young people across the BVI who otherwise may never have the opportunity to learn these skills. Educational components emphasising BVI-relevant **ocean conservation** issues are a key component. During the summer of 2021, over 272 youths participated, and have also been provided ocean conservation education.
- Regarding **clean energy**, **Unite BVI** provided a grant to establish The Caribbean Energy Institute at the H. Lavity Stoutt Community College to deliver the 'Solar Technician Training Programme' and field-work integration into local solar projects. They also donated a nano-grid (wind and solar) for the Library and Resource Centre on Jost Van Dyke, which produces 100% of its power needs, and is the first public building to do this in the BVI (it doubles in function as an Emergency Operations Centre). Finally, **Unite BVI installed 96 solar panels** on Bregado Flax School in Virgin Gorda, marking the largest solar installation on a public building in the BVI.

# Virgin Unite Annual Report 2021

## UNACCEPTABLE ISSUES

At Virgin Unite shouting about unacceptable issues and igniting action is at the core of what we do. Not only does it run through as a key theme of our large-scale collaborative initiatives, we also focus in on particular topics, galvanise support, and lift up others in support of their efforts to create lasting change. Here is a snapshot of some of the things we did in 2021.

### *Criminal Justice*

- **Sir Richard Branson and Virgin Unite USA hosted a series of powerful events** with influential Utah-based leaders, businesses and organisations working to **end the death penalty** in the state. We partnered with the Responsible Business Initiative for Justice (RBIJ), Witness to Innocence, the ACLU of Utah and Libertas to create events that inspired attendees from across the political spectrum to take a stand against the death penalty ahead of a legislative push to repeal the state's death penalty in 2021.
- Working closely with Virgin Group and RBIJ, Virgin Unite USA recruited a large group of high-profile community members to join **Sir Richard in launching the Global Business Leaders Declaration against the Death Penalty**. Since the campaign's public debut at SXSW in 2021, over 200 business leaders have signed on and over 100 major media pieces were placed around the world.
- In partnership with Witness to Innocence, Virgin Unite community member Ellie Kanner, Hidden Light, and Virgin Unite USA **produced and launched the short film series It Could Happen to You**. With the support of Sir Richard, the Virgin Group, and Virgin Unite partners, the digital launch campaign and our first in-person premiere generated over 100,000 views in the film's first month.
- Since Topeka Sam's participation in a 2019 Virgin Unite gathering, **Virgin Unite mobilised community members and made a grant to support the expansion of The Ladies of Hope Ministries' (The LOHM) work on fair chance hiring for formerly incarcerated women**. With significant support from the Virgin Unite team throughout 2021, The LOHM developed and launched Pathways 4 Equity (P4E) - a 12-month professional development fellowship programme designed to remove employment barriers by matching top talent among those who were incarcerated to professional roles at top companies. **Virgin Unite helped recruit founding partner businesses, including Virgin Orbit, to host fellows in the first Fellowship cohort**. The Ladies of Hope Ministries **received a \$50k grant from Unite in 2020, which helped catalyse approximately \$100k from 6 donors**. After the programme launched this year, they received a \$1.5m commitment (equivalent to £1.1m) to scale P4E over the next 2 years. In addition to P4E, other partnerships with The LOHM, including expanded transitional housing offerings for women returning from prison, have continued to develop from relationships originally formed at the Virgin Unite gathering.

### *Racial Justice*

- Virgin Unite introduced our community members to **Ben & Jerry's** US campaign to **advance police reform by ending qualified immunity** in the US, helping grow their coalition. The group helped change qualified immunity and police accountability laws in California, New Mexico, and New York City.
- **Virgin Unite grantee and partner PolicyLink**, a co-author of the CEO Blueprint for Racial Equity, joined forces with the co-founders of Ben & Jerry's for an inspiring event on what it means to be an **anti-racist business leader** as the US wrestles with police reform and works to forge a more equal future.

# Virgin Unite Annual Report 2021

- This event fed into the launch of the revised **CEO Blueprint for Racial Equity and the new Corporate Racial Equity Alliance**, which is working to establish corporate racial equity standards across business sectors in the coming years.

## *Global Commission on Drug Policy*

- Established in 2011, the **Global Commission on Drug Policy** has played a fundamental role in transforming the international conversation on drugs. Composed of world-class leaders and thinkers from across the political spectrum, it is today the global reference on drug policy reform. It has broken the taboo about the failures and consequences of the war on drugs and legitimized an evidence-based conversation on rights and health-based approaches.
- **The Global Commission on Drug Policy, supported by Virgin Unite, released a new video addressing the opioid crisis in the United States.** Sir Richard Branson launched the video across social media to strong public acclaim, with 341,680 views across social media.
- The animation analyses the root cause of the opioid crisis, exposes the fault-lines of prohibition, and looks at recommendations for an evidence-based, health-led path forward.

## *Human Rights*

### **Fortify Rights**

**Virgin Unite funding in 2021: £92k**

- **Fortify Rights are defending Human Rights of the Rohingya community in Myanmar.** Together with Virgin Unite, the project is “Creating an Advocacy Architecture to Advance International Accountability and Justice for the Rohingya” which seeks to build advocacy coalitions that can be effectively activated in response to mass atrocities.
- The advocacy architecture created through this project will promote international accountability and seek justice for the Rohingya community. Going forward it will serve as a pilot for a longer-term advocacy strategy that activates high profile influencers to advance solutions developed and designed by communities affected by violations with the necessary technical and strategic support from Fortify Rights.
- In 2021, the team delivered a toolkit for developing advocacy coalitions to advance human rights. As the human rights crisis continues to unfold seven months after Myanmar’s coup d’etat, strategic advocacy emerges as an important element to bring about a desired and lasting political change in Myanmar.
- Amongst other achievements the **team have produced over 60 press releases on human rights abuses, 9 short films and animations reaching +130k social media interactions. The team also published several reports with leading Human Rights activists which collectively led to over 300 media mentions since July.**

# Virgin Unite Annual Report 2021

## EMERGENCY RESPONSE

In 2021, Virgin Unite focussed the emergency response in two areas:

### *Afghanistan*

In 2021, Virgin Unite continued to focus on supporting emergency response efforts in response to COVID-19 and Afghanistan, including mobilising financial and operational assistance to **Roya Mahboob** and her organisation, the **Digital Citizen Fund** in Kabul and Herat, **Afghanistan**. Virgin Unite gave \$25k (equivalent to £18k) directly to support the Digital Citizen Fund's emergency activities. Team members worked tirelessly to help get at-risk women and girls onto evacuation flights, through their various contacts.

### *Covid-19*

Over £200k was raised for the Covid-19 response by Unite collaborating with partners, of which Unite contributed £73k directly – this is how the funding was spent:

- In **South Africa**, **Pride 'n Purpose** staff and volunteers established a community support group, delivering a total of 260 care parcels in local communities.
- Working alongside a local community campaign, **Mont Rochelle** deployed funds from Virgin Unite towards food assistance, providing 250 families with food parcels, and purchasing supplies for community kitchens serving over 50,000 people. Vulnerable mothers were provided with nappies, baby milk and hygiene products.
- In **Kenya**, **Mahali Mazuri** distributed support packages to over 100 households, with a special focus on vulnerable households. They also provided medical equipment to two local health centres.
- The **Eve Branson Foundation (EBF)** provided immediate cash assistance to over 565 families across four villages to purchase essential food and hygiene items. With Virgin Unite's support, EBF were able to keep the 37 craft centre artisans employed to produce over 5,000 face masks and distribute them to the local community.
- An emergency medical fund of £5,000 was established in reserve to cover urgent cost of medication and hospital care for EBF community members.
- In mid-May India's devastating surge of COVID-19 cases peaked. **Virgin Atlantic** Captain and long time collaborator of Virgin Unite, Chris Hall, set up an emergency response page on gofundme.com with initial plans to raise £2,000 to **purchase oxygen condensers and then fly them to India**. In just 10 days, Chris raised £45,328 from 742 donors. 70 oxygen concentrators have already been purchased and delivered by Virgin Atlantic to Delhi. Virgin Unite contributed £10k towards this initiative.
- **Virgin Unite partnered with Virgin Management** to host a number of COVID-19 safety guidelines sessions which engaged various CEOs of Virgin Companies, offering advice and direction from experts such as Dr. Larry Brilliant.

# Virgin Unite Annual Report 2021

## VIRGIN UNITE LOCAL ENTITIES

### Virgin Unite Australia

In 2021 Virgin Unite Australia gave away grants worth AUS \$532k.

- AU\$400k (equivalent to £246k) to Sightsavers, to help eliminate blinding trachoma in several African countries (co-funded by Virgin Unite USA, see Audacious Ideas section above). Trachoma is an entirely preventable neglected tropical disease (NTD) that has blighted the lives of the world's poorest, most vulnerable people since the earliest records.
- AU\$77k (equivalent to £43k) to the African Youth Initiative Network (AYINET) - a non-profit in Uganda that strives to empower the conflict-affected population of Uganda and its neighbouring countries and mobilizes youth to lead and work towards peace (see also the NewNow section above). Virgin Unite Australia donated to AYINET for the purposes of providing direct relief to victims of conflict and violence in Uganda, with a particular focus on youth, crisis interventions and healthcare especially during the COVID-19 pandemic.
- AU\$25k (equivalent to £13k) to Igniting Change – a small organisation that is passionate about sparking big, positive change with people in their communities. Igniting Change supports several grassroots projects and organisations, including Bridge It, an organisation providing homes for women experiencing homelessness.
- AU\$20k (equivalent to £11k) to Deadly Connections – a specialist Aboriginal Community Controlled not-for-profit running community driven, grassroots, innovative projects to address the over-representation of Aboriginal people, families and communities in both the child protection and justice systems. This was used to purchase a minibus to be used to run the four programmes currently underway in Dandenong Ranges, VIC, Australia.
- AU\$10k (equivalent to £5k) to Documentary Australia Foundation to support production of a 25-minute short film 'The Dreamlife of Georgie Stone' about a transgender teen activist from Melbourne, as she changes laws, affirms her gender and gains control of her body and her story.

### Virgin Unite Canada

In 2021, Virgin Unite Canada made one grant to its long-standing partner NPower, and fulfilled one capital call toward its investment in MaRs Catalyst Fund:

- CA\$45k (equivalent to £26k) grant to NPower, an organization that launches young Canadian job-seekers from under-represented backgrounds into meaningful and sustainable careers. The grant, issued for Virgin Mobile Canada's 'Re\*Generation Canada' programme, has enabled NPower to enrol 1,528 young adults across Canada into its workforce development programme. Among these participants, 82% identify as racialised and/or Indigenous; 41% identify as female, non-binary, or gender diverse; 43% are Newcomers to Canada; 8% identify as LGBTQIA2S+ and 10% identify as persons living with a disability.

# Virgin Unite Annual Report 2021

- Virgin Unite Canada also contributed CA\$38k (equivalent to £22k) of its committed capital to MaRS Catalyst Fund (now operating as Amplify Capital) – an early-stage Canadian impact venture fund that focuses on three of the Canadian society’s defining challenges: healthcare, education, and sustainable environment. The funds contributed to the fund’s follow-on investment in HydroStor – a Canadian company that developed a technology uniquely suited to enable the transition to a fossil-free, more reliable electricity grid. Each HydroStor plant will displace fossil fuel power generation with cleaner alternatives.

## LOOKING AHEAD

Looking forwards to 2023 and beyond, Unite will continue its work in key priority areas: Community, A Healthy Planet, Courageous Collectives, Unacceptable Issues, Equality, Changing Business for Good. Virgin Unite will do this by incubating and supporting large scale collaborative initiatives, managing a programme of activities, and maintaining its grant funding portfolio.

Virgin Unite will continue to run events where we galvanise people around these key areas and fundraise for Virgin Unite’s portfolio of activities.

The Strategic report, as set out above, was approved by the Board on 28 September 2022 and signed on its behalf by



H Branson  
Trustee

# Virgin Unite Annual Report 2021

## GOVERNANCE AND FINANCIAL REVIEW

### Governance

The Board of Trustees of Virgin Unite ("the Charity" or "Unite") has overall responsibility for the Charity's direction, management and control; they are also directors under company law. The current Trustees were appointed to provide a range of voluntary sector and commercial experience appropriate to the Charity's intended activities. There is no constitutional requirement for Trustees to retire. Our Trustees are unpaid and details of Trustee expenses and any related party transactions are disclosed in notes 9 and 20 to the accounts. The Board of Trustees meets at least three times each year and the Charity is empowered to delegate its powers to committees of Trustees.

The Trustees have adopted a policy on relationships between the Charity and Virgin Group companies in order to ensure that conflicts of interest are properly managed (see Conflict of Interest Policy, below) and that any private benefit to Virgin Group companies is minimal, and only a secondary outcome to the public benefit. Typically the Charity's senior management team is present at meetings of the Board of Trustees when appropriate and the Chair of the Board of Trustees is in regular liaison with the senior management team between meetings.

Day-to-day decisions of the Charity have been delegated to the senior management team and, where necessary, referred to the Board of Trustees for determination.

### Our charity objects

Virgin Unite is established with the following Charity Objects - to support:

- 1) The conduct and promotion of research and the dissemination of the useful products thereof into the causes, origins, transmission and treatment of the disease or condition known as Acquired Immune Deficiency Syndrome and any apparently related, similar or consequent disease or condition, the promotion by charitable means of the welfare of sufferers from such diseases or conditions, the alleviation of physical, mental or financial deprivation caused by such diseases or conditions, the advancement of education in matters relevant thereto and the support of charities in furthering the said objects or any of them.
- 2) The relief of poverty and the relief of disabled persons (including the mentally handicapped) from their disabilities;
- 3) The advancement of education for the public benefit;
- 4) The provision of facilities for recreation or other leisure time occupation in the interests of social welfare provided that such facilities are for the public benefit; and
- 5) The promotion of any other charitable purpose for the benefit of the public provided always that all property acquired prior to 1 July 1988 and all income or property derived therefrom will be used exclusively in furtherance of the objects specified at 1 above and not further or otherwise.

### Public benefit statement

The Trustees confirm that, in exercising their powers and duties they have had due regard to the Charity Commission's statutory guidance on public benefit. A copy of the guidance has been provided to each Trustee and every proposal brought to the Board for approval outlines how it will advance Unite's charitable objects for public benefit. The Charity meets the definition of a public benefit entity under FRS 102.

The descriptions in pages 6 to 23 demonstrate how Unite's activities have delivered public benefit over the period. This ranges from nature conservation and reversing climate change to advocating for human rights and funding to eradicate disease.

Support is only provided to private and for profit companies where the Trustees see clear public benefit in the project and where any private benefit is incidental, reasonable and necessary.



# Virgin Unite Annual Report 2021

## The appointment and recruitment of Trustees

The Trustees are responsible for the recruitment of new Trustees, which they carry out in light of the existing balance of skills and experiences of the Board.

Before appointment all new Trustees attend an induction programme in order for them to properly undertake and fulfil their responsibilities to the Charity. The induction process ensures new Trustees meet existing Trustees and members of the Senior Management team.

## Structure and governing document

Virgin Unite is constituted as a company limited by guarantee. It is registered with the Charity Commission and its governing document is its Articles of Association. The Trustees constitute directors of the organisation and each Trustee of the Charity is also a member of the Charity. The Charity has a wholly owned subsidiary, Virgin Unite Trading Limited, and the Group financial statements consolidate the results of the Charity, Virgin Unite Trading Limited, Virgin Unite USA Inc, Unite BVI, Virgin Unite (Canada) Inc and Virgin Unite Australia Limited. In addition, a further overseas charity, Branson Centre of Entrepreneurship - Caribbean Limited, was included within the consolidation in 2020.

Virgin Unite USA Inc, Unite BVI, Virgin Unite (Canada) Inc, Virgin Unite Australia Limited are related overseas charities which are included in the consolidation on the basis that the UK Charity exercises influence and control over these charities in accordance with paragraph 24 of the Charities SORP (FRS 102).

A review was carried out as at 1st January 2021 to assess the relationship between The Virgin Foundation and the overseas entities to consider which entities remained under the control of the UK Charity.

This review concluded that whilst all the other subsidiaries listed above remain under Group control, the relationship between the UK Charity and the Branson Centre of Entrepreneurship - Caribbean Limited has evolved significantly over time. As such that the Branson Centre was assessed as being operationally independent of the UK Charity at the review date, and therefore no longer under its control.

## Related parties

The Trustees of the Charity have interests, either directly or indirectly, in certain other companies.

Some of these companies form part of the Virgin Group of companies. Many companies within the Virgin Group actively promote the Charity to both their customers and members of staff. All material balances and transactions (other than voluntary income received) with this group of companies are disclosed in note 20 to the accounts.

The Charity's wholly owned subsidiary, Virgin Unite Trading Limited, was established to undertake commercial activities which the Charity could not undertake and pays all of its profits to the Charity by Gift Aid.

## Conflicts of interest policy

Trustees have adopted a conflicts of interest policy and processes for both staff and Trustees to ensure that any conflicts of interests are declared and managed appropriately. This policy secures the objective that any relationships between Virgin Unite and the Virgin Group of Companies are managed in compliance with charity law principles. More specifically, the policy ensures that:

- 1) All decisions about relationships between Virgin Unite and the Virgin Group of Companies are made at Trustee level and solely by Trustees who have no private interest in the context of the relationship requiring a decision; and
- 2) Any private benefit is merely incidental to the wider charitable objectives which are achieved through those relationships.

Virgin Unite's Senior Management team is responsible for ensuring that any relationship or interaction with any Virgin Company is compliant with this policy.

# Virgin Unite Annual Report 2021

## Pay policy for senior staff

The senior management team comprise the key management personnel of the charity, in charge of directing and controlling, running and operating the charity on a day to day basis. The pay of senior staff is reviewed annually benchmarks against pay levels in other similar organisations and against Virgin Management Limited, along with any annual inflationary uplift.

### *Virgin Management Limited relationship with Virgin Unite*

Whilst the Group has a small number of employees in Unite BVI (see note 9), the other entities in the Group including Virgin Foundation have no employees. The Virgin Foundation has a service level agreement in place with Virgin Management Limited in the UK, and Virgin Management USA in the US which includes the provision of a number of employees who are responsible for running the charity. Additionally, Virgin Management Limited and Virgin Management USA provide office space and IT resources to enable these employees to deliver the Virgin Foundation's strategy. Also provided as in kind support are professional services to the Charity such as tax, legal and website services.

## Risk management

Virgin Unite has a risk register that lists its key risks and lays out a strategy for minimising or managing each risk and allocates each of them to a responsible member of the Senior Management team.

An updated register was approved by the Board in September 2021. Risk mitigation actions included:

**Financial risks:** Income diversification and reserve strategy to reduce the risk of losing a major income stream.

**Reputational risks:** Maintaining due diligence and ensuring proper vetting of potential community members to reduce reputational risk.

**People and stakeholder risks:** Ensuring staff welfare and distributing leadership and purpose throughout the team to reduce reliance on a small number of staff members.

**Operational delivery risks:** Geographically spreading our portfolio and delivery, and developing our emergency response plan in order to support key geographies in the event of a natural disaster.

The Trustees are satisfied that the key risks to the organisation are identified and that appropriate strategies are in place to manage them in the current year.

## Going concern

The Trustees have considered cash flow forecasts for the period to 31 December 2023 which covers approximately 15 months from the anticipated signing of the Foundation's financial statements. The Cash Projection indicates that, taking account of reasonably possible downsides on its operations and its financial resources, the Group and Charitable Company will have sufficient funds to meet its liabilities as they fall due for that period.

The analysis takes into account the position of Virgin Unites reserves, anticipated donations and income, and forecast investments into projects. The analysis projects cash outflows/inflows over the period in order to assess the Foundation's liquidity headroom.

# Virgin Unite Annual Report 2021

## Financial review

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, 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 published in October 2019.

For the 12 month period to 31 December 2021, resources expended exceeded income by £514,000 (2020: £6,309,000), with the reduction in net expenditure being driven by both increased income and reduced costs compared to 2020. Consolidated unrestricted reserves decreased during the year to £6,115,000 (2020: £6,402,000). Consolidated restricted reserves decreased to £2,853,000 (2020: £3,473,000). The expenditure is attributable to grants made in the year of £7,889,000 (2020: £9,729,000), support costs of £3,430,000 (2020: £2,908,000) and other costs of £1,144,000 (2020: £1,670,000).

Voluntary income primarily comprises Sir Richard Branson's speaking fee donations from the Virgin Group of £5,894,000 (2020: £1,958,000), and other voluntary income of £2,594,000 (2020: £3,034,000). Restrictions imposed as a result of the COVID-19 pandemic had meant that many speaking engagements were postponed or converted to digital events in 2020, and the subsequent relaxation of these restrictions during 2021 supported the recovery of those income streams. The Trustees are extremely grateful for these contributions. The majority of reserves in place have been incorporated into the operating budget for the next three years and have been allocated against certain Virgin Unite commitments.

The Board would like to thank Virgin Management Limited and Virgin Management USA Inc. for providing donations in kind of office space, staff, IT support and professional services such as taxation advice and flights amounting to £3,267,000 in 2021 (2020: £2,793,000).

During the period, expenditure on charitable activities was £11,710,000 (2020: £13,547,000) and costs of raising funds totalled £753,000 (2020: £547,000).

In addition to these costs, the Group recognised a loss of £393,000 in relation to the deconsolidation of the Branson Centre of Entrepreneurship - Caribbean following its reassessment as falling outside the control of the Group. Further details are provided in note 23.

## Programme related investments and grant-making policy

Virgin Unite achieves its charitable objects in a number of ways which include providing investment, grant-making, and non-financial support. Support is designed based on the nature and objectives of the programme. Investments and grants are made to further the objects of Virgin Unite and are managed in line with the objectives of the programme. Grants and other investments are monitored regularly and appropriate progress reports are required from recipients.

## How we spend our money

- Direct charitable expenditure – either money we give other organisations for the work they do which we support, or money we spend on projects we are running ourselves.
- Expenditure on the things we have to do to run the charity properly – our overheads. Sir Richard Branson and the Virgin Group cover substantially all of these costs (96% in 2021), which means that our other donations can be focused on the initiatives we create or support.

# Virgin Unite Annual Report 2021

## Reserves policy

In the period to 31 December 2021 the Trustees' policy is that unrestricted funds less the net book value of fixed assets held by the charity that are not committed or designated ("the free reserves") should be sufficient to cover at least six month's total expenditure excluding direct discretionary expenditure relating to charitable activities and costs of generating funds. Free reserves as at 31 December 2021 are £4.6m.

The Trustees have judged this level as appropriate given Unite's limited liabilities and fixed assets, and relatively flexible staffing arrangements. The level of reserves is projected to stay at a consistent level over the next 3 years based on projected donations and grant making.

## Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to invest their reserves in any way the Trustees wish. During the period to 31 December 2021, a small additional investment was made in MaRs Catalyst Fund LP by Unite Canada, as set out in Note 11. Other than this, the policy has been to retain funds in bank accounts and money market funds, bearing interest where available, on the basis that levels of funds and the time for which they were held did not justify a more diverse investment strategy.

The Charity will continue to review its investment strategy and update as appropriate.

## Fundraising policy

Virgin Unite does not use professional fundraisers or commercial participators to raise funds. The Foundation nevertheless observes and complies with the relevant fundraising regulations and codes, and is registered with various bodies in the jurisdictions in which it operates, including the Charities Commission and the Fundraising Regulator in the UK, the ACNC Charity Register in Australia and the Canada Revenue Agency, along with registrations across the USA.

During the year there was no non-compliance of these regulations (2020: none) and the Foundation received no complaints (2020: none) relating to its fundraising practice.

## Disclosure of information to auditor

The Trustees who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Charitable Company's auditor is unaware; and each Trustee has taken all the steps that ought to have been taken as a Trustee to make themselves aware of any relevant audit information and to establish that the Charitable Company's auditor is aware of that information.

## Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

The Strategic report and Trustees' report, as set out above, were approved by the Board on 28 September 2022 and signed on its behalf by



H Branson  
Trustee

# Virgin Unite Annual Report 2021

## STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES OF THE VIRGIN FOUNDATION IN RESEPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charitable company and of the group's excess of income over expenditure for that period. In preparing each of the group and charitable company financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group's and the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE VIRGIN FOUNDATION**

### **Opinion**

We have audited the financial statements of the Virgin Foundation (known as Virgin Unite) ("the charitable company") for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, consolidated and charity balance sheets, consolidated cash flow statement, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the charitable company's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the charitable company or to cease their operations, and as they have concluded that the group and the charitable company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the trustees' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and charitable company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the trustees' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the group or the charitable company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the group or the charitable company will continue in operation.

## **Fraud and breaches of laws and regulations – ability to detect**

### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud (“fraud risks”), we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management and inspection of policy documentation as to the group’s high-level policies and procedures to prevent and detect fraud.
- Reading Board meeting minutes
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that voluntary income is recorded in the incorrect accounting period and the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by unexpected individuals and those posted to unusual accounts combinations;
- Agreeing a sample of income transactions back to relevant invoices.

### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Trustees and other management (as required by auditing standards). We discussed with the Trustees and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies’ legislation and the Charities SORP) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, and certain aspects of company and charity legislation, recognising the nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

#### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

#### **Other information**

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the Trustees' Annual Report, which constitutes the strategic report and the directors' report for the financial year, is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- the charitable company has not kept adequate and proper accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

We have nothing to report in these respects.

#### **Trustees' responsibilities**



As explained more fully in their statement set out on page 29, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group's and the charitable company'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 they either intend to liquidate the group or the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the charitable company'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 charitable company, its members, as a body and its trustees, as a body, for our audit work, for this report or for the opinions we have formed.



**Jonathan Brown (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
**Chartered Accountants**  
**15 Canada Square, London, E14 5GL**

**29 September 2022**

# Virgin Unite Annual Report 2021

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2021

Incorporating the income and expenditure account and statement of total recognised gains and losses.

		2021	2021	2021	2021	2020	2020	2020
		Continuing Operations	Continuing Operations	Discontinued Operations		Continuing Operations	Discontinued Operations	
		Unrestricted Funds	Restricted Funds	Restricted Funds	Total Funds			Total Funds
Note		£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Income from:</b>								
Voluntary income	3	10,060	1,695	-	11,755	7,623	110	7,733
Other Trading Activities		194	-	-	194	52	-	52
<b>Total</b>		<b>10,254</b>	<b>1,695</b>	<b>-</b>	<b>11,949</b>	<b>7,675</b>	<b>110</b>	<b>7,785</b>
<b>Expenditure on:</b>								
Raising funds	5	(733)	(20)	-	(753)	(547)	-	(547)
Charitable activities	4,5	(9,400)	(2,310)	-	(11,710)	(13,391)	(156)	(13,547)
<b>Total</b>		<b>(10,133)</b>	<b>(2,330)</b>	<b>-</b>	<b>(12,463)</b>	<b>(13,938)</b>	<b>(156)</b>	<b>(14,094)</b>
<b>Net income/ (expenditure)</b>		<b>121</b>	<b>(635)</b>	<b>-</b>	<b>(514)</b>	<b>(6,263)</b>	<b>(46)</b>	<b>(6,309)</b>
Transfer between funds	17, 18	(408)	408	-	-	-	-	-
<b>Exceptional items:</b>								
Loss on deconsolidation	23	-	-	(393)	(393)	-	-	-
<b>Other recognised gains(losses):</b>								
Foreign exchange reserve movement		-	-	-	-	(210)	(3)	(213)
<b>Net movement in funds</b>		<b>(287)</b>	<b>(227)</b>	<b>(393)</b>	<b>(907)</b>	<b>(6,473)</b>	<b>(49)</b>	<b>(6,522)</b>
<b>Reconciliation of funds</b>								
Total funds brought forward	17, 18	6,402	3,080	393	9,875	15,955	442	16,397
Total funds carried forward	15, 16	6,115	2,853	-	8,968	9,482	393	9,875

The notes on pages 38 to 59 form part of these financial statements.

# Virgin Unite Annual Report 2021

## CONSOLIDATED BALANCE SHEET

at 31 December 2021

	Note	2021 £'000	2020 £'000
<b>Fixed assets</b>			
Tangible fixed assets	10	-	19
Investments	11	486	458
Debtors	12	57	14
		<b>543</b>	491
<b>Current assets</b>			
Debtors	13	558	891
Cash and cash equivalents		10,080	11,101
		<b>10,638</b>	11,992
<b>Creditors: amounts falling due within one year</b>	14	<b>(2,213)</b>	(2,608)
<b>Net current assets</b>		<b>8,425</b>	9,384
<b>Net assets</b>		<b>8,968</b>	9,875
<b>The funds of the charitable group</b>			
Unrestricted income funds	17	6,115	6,402
Restricted income funds	18	2,853	3,473
<b>Total charitable group funds</b>		<b>8,968</b>	9,875

The notes on pages 38 to 59 form part of these financial statements.

These financial statements were approved by the Board of Trustees on 28 September 2022 and were signed on its behalf by:

**H Branson**  
Trustee

Company number: 2155645

Charity number: 297540

# Virgin Unite Annual Report 2021

## CHARITY BALANCE SHEET

at 31 December 2021

	Note	2021 £'000	2020 £'000
<b>Fixed assets</b>			
Loans Receivable	12	14	14
		<u>14</u>	<u>14</u>
<b>Current assets</b>			
Debtors	13	34	22
Cash at bank and in hand		5,870	2,543
		<u>5,904</u>	<u>2,565</u>
<b>Creditors: amounts falling due within one year</b>	14	(1,263)	(152)
<b>Net current assets</b>		<u>4,641</u>	<u>2,413</u>
<b>Net assets</b>		<u>4,655</u>	<u>2,427</u>
<b>The funds of the charity</b>			
Unrestricted income funds	17	4,587	2,287
Restricted income funds	18	68	140
<b>Total charity funds</b>		<u>4,655</u>	<u>2,427</u>

The notes on pages 38 to 59 form part of these financial statements.

These financial statements were approved by the Board of Trustees on 28 September 2022 and were signed on its behalf by:



**H Branson**  
Trustee

Company number: 2155645

Charity number: 297540

# Virgin Unite Annual Report 2021

## CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2021

	Note	2021 £'000	2020 £'000
<b>Cash flows from operating activities:</b>			
Net cash used in operating activities	19	<u>(487)</u>	<u>(6,170)</u>
<b>Cash flows from investing activities:</b>			
Purchase of investments	11	(28)	(43)
Impact of deconsolidation	23	<u>(506)</u>	<u>-</u>
Net cash used in investing activities		(534)	(43)
<b>Cash flows from financing activities:</b>			
Loan repayments	12	-	24
Net cash used in financing activities		-	24
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(1,021)</b>	<b>(6,189)</b>
Cash and cash equivalents at the beginning of the reporting period		<b>11,101</b>	17,288
Change in cash and cash equivalents due to exchange rate movements		-	2
Cash and cash equivalents at the end of the reporting period		<b><u>10,080</u></b>	<b><u>11,101</u></b>

The notes on pages 38 to 59 form part of these financial statements.

# Virgin Unite Annual Report 2021

## NOTES TO THE FINANCIAL STATEMENTS (forming part of the financial statements)

### 1 Accounting Policies

#### ***Basis of preparation***

The financial statements have been prepared in accordance with the 'Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102)' and the Companies Act 2006. The group meets the definition of a public benefit entity under FRS 102.

The Charity meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption in relation to a presentation of a cash-flow statement in respect of its separate financial statements, which are presented alongside the consolidated financial statements.

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

#### ***Basis of consolidation***

The financial statements include the results of the UK Charity, its wholly owned subsidiary Virgin Unite Trading Limited, as well as Virgin Unite USA Inc., Virgin Unite BVI Limited, Virgin Unite (Canada) Inc. and Virgin Unite Australia Limited.

Virgin Unite USA Inc., Virgin Unite BVI Limited, Virgin Unite (Canada) Inc. and Virgin Unite Australia Limited are overseas charities which are included in the consolidation on the basis that The Virgin Foundation exercises dominant influence and control over these charities in accordance with section 24 of the Charities SORP (FRS 102). In addition, a further overseas charity, Branson Centre of Entrepreneurship - Caribbean Limited, was included within the consolidation in 2020 on a similar basis.

A review was carried out at 1st January 2021 to assess the relationship between The Virgin Foundation and the overseas entities to consider which entities remained under the control of the UK Charity.

This review concluded that whilst all the other subsidiaries listed above remain under Group control, the relationship between the UK Charity and the Branson Centre of Entrepreneurship - Caribbean Limited has evolved significantly over time. As such that the Branson Centre was assessed as being operationally independent of the UK Charity at the review date, and therefore no longer under its control.

As a result of this review, the Branson Centre of Entrepreneurship - Caribbean Limited was deconsolidated as at 1st January 2021, and its results are no longer included in the Group results from that date. See Note 23 for further details.

#### ***Going concern***

The financial statements have been prepared on a going concern basis which the Trustees consider to be appropriate for the following reasons.

The Trustees have considered cash flow forecasts for the period to 31 December 2023 which covers approximately 15 months from the anticipated signing of the Foundation's financial statements. The Cash Projection indicates that, taking account of reasonably possible downsides on its operations and its financial resources, the Group and Charitable Company will have sufficient funds to meet its liabilities as they fall due for that period.

The analysis takes into account the position of Virgin Unites reserves, anticipated donations and income, and forecast investments into projects. The analysis projects cash outflows/inflows over the period in order to assess the Foundation's liquidity headroom.

# Virgin Unite Annual Report 2021

## Notes (continued)

### 1 Accounting Policies (continued)

Consequently, the Trustees are confident that the Charity will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

#### **Fixed assets and depreciation**

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives. No depreciation was recognised in 2021 as the Group's only fixed assets were deconsolidated as at 1 January 2021.

#### **Fixed asset investments**

The investments held by the group are not quoted on any actively traded market, such that their fair value cannot be measured reliably. These investments are therefore held at cost less impairment at the balance sheet date. Any impairment of those investments are recognised in the statement of financial activities.

#### **Income**

Voluntary income includes donations and grants that provide core funding or are of general nature, and income from fundraising activities. Voluntary income is recognised when there is entitlement, a probable receipt and the amount can be measured with sufficient reliability. When a donor imposes restrictions on the purpose or use of the funding, the income is credited to the relevant restricted fund.

Grant income is deferred when terms and conditions exist that have not been met, or uncertainty exists as to whether the charity can meet the terms or conditions of the grant. In these cases, income is deferred until the charity has unconditional entitlement.

Other trading income represents fees received from event sponsorship in Virgin Unite Trading Limited.

#### **Expenses**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with the various projects that the charity is supporting. This includes both the direct costs and support costs relating to the activities.
- Support costs include central functions and costs incurred in the governance of the charity and have been allocated to activity cost categories on a basis consistent with the use of resources, as detailed in note 5.

#### **Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains and losses on translation are included in the profit and loss account.

# Virgin Unite Annual Report 2021

## Notes (continued)

### 1 Accounting Policies (continued)

#### **Tax**

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 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 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. Non-charitable subsidiaries are subject to corporation tax but, because their policies are to donate taxable profits to Virgin Unite by way of gift aid, no liabilities arose in the current year (2020: £nil).

#### **Fund accounting**

The Charity has a number of restricted income funds to account for situations where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose. Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. The funds held in each of these categories are disclosed in notes 15 and 16. Transfers from unrestricted to restricted funds occur when a deficit would otherwise exist in a restricted fund.

#### **Financial instruments**

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### **Financial Assets**

Basic financial assets, including trade and other receivables, cash and bank balances are initially recognised at transaction price. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of Financial Activities.

Financial assets are de-recognised when (a) the contractual rights to the cash flows from the assets expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

#### **Financial Liabilities**

Basic financial liabilities, including trade and other payables, are initially recognised at the transaction price.

Financial liabilities are de-recognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### **Liquidity Risks**

In the year £9,161k (80%) of the Group's income was derived from Virgin Group donations (either cash or in-kind). The Group has reasonable confidence in the timing and profile of these cashflows due to its close relationship with the Virgin Group companies making these donations.



# Virgin Unite Annual Report 2021

## Notes (continued)

### 1 Accounting Policies (continued)

In the year £7,968k (64%) of the Group's expenditure was grant expenditure, with the majority of the remainder (£3,267k, 26%) representing donated goods and services provided by Virgin Group entities. As such, the material operating costs of the Group are covered by this in-kind donation, leaving a minimal liquidity risk for the Group as future grant investments are in the Group's control, and could be adjusted in the event of reduced income.

The Group is satisfied it has sufficient liquid resources to cover amounts due within one year.

#### ***Critical accounting judgements and key estimates and assumptions***

The preparation of the financial statements in conformity with 'Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102)' requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from the estimates calculated.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no critical accounting estimates or judgments made in the year (2020: nil).

#### **Support costs**

The cost allocation methodology requires judgement as to what are the most appropriate bases to use to apportion support costs; these are reviewed annually for reasonableness.

# Virgin Unite Annual Report 2021

## 2 Financial Activities (UK Charity only)

A summary of the financial activities undertaken by The Virgin Foundation (UK Charity) is set out below:

	2021 £'000 Unrestricted Funds	2021 £'000 Restricted Funds	2021 £'000 Total Funds	2020 £'000 Total Funds
<b>Income</b>				
Voluntary income	7,930	331	8,261	5,132
<b>Total</b>	<b>7,930</b>	<b>331</b>	<b>8,261</b>	<b>5,132</b>
<b>Expenditure on:</b>				
Raising funds	(457)	(2)	(459)	-
Charitable activities	(5,046)	(528)	(5,574)	(7,325)
<b>Total</b>	<b>(5,503)</b>	<b>(530)</b>	<b>(6,033)</b>	<b>(7,325)</b>
<b>Net income/(expenditure)</b>	<b>2,427</b>	<b>(199)</b>	<b>2,228</b>	<b>(2,194)</b>
Transfer between funds	(127)	127	-	-
<b>Other recognised gains(losses):</b>				
Foreign exchange reserve movement	-	-	-	(102)
<b>Net movement in funds</b>	<b>2,300</b>	<b>(72)</b>	<b>2,228</b>	<b>(2,296)</b>
<b>Reconciliation of funds</b>				
Total funds brought forward	2,287	140	2,427	4,723
Total funds carried forward	<b>4,587</b>	<b>68</b>	<b>4,655</b>	<b>2,427</b>

# Virgin Unite Annual Report 2021

## 3 Voluntary Income (Group)

	2021 £'000	2021 £'000	2021 £'000	2020 £'000
	Unrestricted	Restricted	Total	Total
Virgin Group general donations	5,894	-	5,894	1,958
Other donations	899	1,695	2,594	3,034
Donated goods and services	3,267	-	3,267	2,793
	<b>10,060</b>	<b>1,695</b>	<b>11,755</b>	<b>7,785</b>

The donated goods and services consisted of accountancy, taxation, legal support and free rent provided by Virgin Management Limited and Virgin Management USA Inc. throughout the year. The value placed on this contribution by the Virgin Group is based upon similar services provided to their group companies and is valued at £3,267,000 (2020: £2,793,000). Donations in kind are recognised within incoming resources as a donation, and an equivalent charge is included as support costs and re-allocated to the appropriate cost category.

## 4 Support costs (Group)

The Group's support costs are shown in the table below. Further apportionment of these costs between the charitable activities is undertaken (see note 5). Support costs are allocated on the basis of staff time spent on different activities.

	2021 £'000	2020 £'000
Communication and digital costs	4	1
Foreign exchange differences	1	(42)
Finance, legal and professional costs	138	125
Travel and other miscellaneous	6	9
HR support costs	2	-
Office expenses	1	6
IT support costs	11	16
Donations in Kind (note 3)	3,267	2,793
	<b>3,430</b>	<b>2,908</b>

# Virgin Unite Annual Report 2021

## 5 Expenses (Group)

Group expenditure can be analysed into four main categories:

Large Scale Collaborative Initiatives	Global Leadership Collectives incubated by Virgin Unite.
Audacious Ideas	Co-funding big ideas with the potential to create change at scale, as part of the Audacious Project collaboration.
Virgin Unite Local Entity Programmes	Programmes specific to Virgin Unite entities in Canada and Australia.
Other	All other programmes, including criminal justice reform work, Robin Hood fund for small benevolent grants and legacy programmes in the process of winding down.

Note that following a review, the existing expenditure categories from 2020 have been realigned to Unite's strategic priorities, with new categories for 2021 shown above.

	2021	2021	2021	2021	2021
	Staff costs	Grants	Other direct costs	Support costs	Total
	£'000	£'000	£'000	£'000	£'000
Large Scale Collaborative Initiatives	167	1,093	45	1,280	2,585
Audacious Ideas	-	5,537	29	340	5,906
Virgin Unite Local Entity Programmes	-	82	33	688	803
Other	311	1,177	417	511	2,416
<b>Total charitable activities</b>	<b>478</b>	<b>7,889</b>	<b>524</b>	<b>2,819</b>	<b>11,710</b>
Costs of generating funds	-	-	142	611	753
<b>Total expenses</b>	<b>478</b>	<b>7,889</b>	<b>666</b>	<b>3,430</b>	<b>12,463</b>

Refer to pages 6 to 23 for further details of projects.

A breakdown of grant expenditure is given in note 6.

# Virgin Unite Annual Report 2021

## Expenses (2020)

Group expenditure can be analysed into six main categories:

Collaborative Solutions	Collaborations we incubate and support that address gaps in global leadership
Audacious Ideas	Co-funding big ideas with the potential to create change at scale, as part of the Audacious Project collaboration
Significant programmes	Long-term collaborations we help incubate and continue supporting, often alongside other Virgin companies
Virgin Unite Local Entity Programmes	Programmes specific to Virgin Unite entities in Canada and Australia
Shining a Spotlight	Providing support where it's needed most, for example emergency relief provisions in times of crisis
Other	All other programmes, including criminal justice reform work, Robin Hood fund for small benevolent grants and legacy programmes in the process of winding down.

	2020	2020	2020 Other direct costs	2020 Support costs	2020 Total
	Staff costs	Grants			
	£'000	£'000	£'000	£'000	£'000
Collaborative Solutions	-	1,382	141	428	1,951
Audacious Ideas	-	5,776	-	436	6,212
Significant programmes	-	1,441	128	713	2,282
Virgin Unite Local Entity Programmes	-	406	322	145	873
Shining a Spotlight	-	113	34	229	376
Other	645	611	160	437	1,853
	645	9,729	785	2,388	13,547
<b>Total charitable activities</b>					
Costs of generating funds	-	-	27	520	547
<b>Total expenses</b>	645	9,729	812	2,908	14,094

# Virgin Unite Annual Report 2021

## 6 Grant expenditure

A breakdown of 2021 grant expenditure is shown below:

<b>Fund</b>	<b>Unrestricted £'000</b>	<b>Restricted £'000</b>	<b>Total £'000</b>
Big Change	230	-	230
100% Human at work	-	19	19
Caribbean Climate Smart Accelerator	-	375	375
The Elders Foundation	100	37	137
Ocean Unite	100	15	115
The B Team	123	-	123
The NewNow	-	95	95
<b>Large Scale Collaborative Initiatives</b>	<b>553</b>	<b>541</b>	<b>1,094</b>
The End Fund	760	-	760
Last Mile / Living Goods	2,113	-	2,113
Sightsavers	2,664	-	2,664
<b>Audacious Ideas</b>	<b>5,537</b>	<b>-</b>	<b>5,537</b>
Australia - AYINET	43	-	43
Australia - Igniting Change	13	-	13
Re*Generation Canada	-	26	26
<b>Virgin Unite Local Entity Programmes</b>	<b>56</b>	<b>26</b>	<b>82</b>
Fortify Rights	-	92	92
BVI Reconstruction Fund	-	35	35
Criminal Justice Reform	30	-	30
EBF	42	20	62
Emergency Fund	63	-	63
Fellowship Pathways / Pathways for Equity	-	12	12
Galactic Unite	-	10	10
General Unrestricted	16	-	16
JUST Capital	18	-	18
Global Wildlife Fund	-	29	29
Maldives Coral Reef	4	-	4
Planetary Boundaries	-	37	37
Pride n Purpose -Ulusaba	-	14	14
Robin Hood fund - RB	37	-	37
Unite BVI	-	717	717
<b>Other</b>	<b>210</b>	<b>966</b>	<b>1,176</b>
<b>Total</b>	<b>6,356</b>	<b>1,533</b>	<b>7,889</b>

## 7 Other grant commitments

These other grant commitments relate to grants where there are reviews or other milestones upon which future funding is conditional and are therefore not recognised as a liability in the accounts until those conditions are met. The amounts committed as at 31 December 2021 will be funded from the net assets of the Charity at the balance sheet date, and are detailed below.

	<b>2021 £'000</b>
Amounts committed for payment in	
<b>2022</b>	2,519
<b>2023</b>	2,344
<b>2024</b>	762
	<b>5,625</b>

# Virgin Unite Annual Report 2021

## 8 Net Expenditure for the Year (Group)

	2021 £'000	2020 £'000
<b>Net expenditure for the year is stated after charging:</b>		
Depreciation	-	4
Bad debts written off	-	82
<i>Auditor's remuneration:</i>		
Audit of these financial statements	35	31
Audit of the subsidiary financial statements	36	14
Other non-audit services	5	2

Other non-audit services provided during the year included preparation of Trust and other tax returns relating to Virgin Unite BVI Limited and Virgin Unite USA Inc, and preparation of financial statements in Virgin Unite BVI Limited.

## 9 Staff Costs (Group)

	2021 £'000	2020 £'000
Gross wages	278	392
Other staff costs	167	207
Social security costs	29	42
Employer's pension	4	4
	<b>478</b>	<b>645</b>

Other staff costs represents invoiced payroll costs in relation to the 100% Human project.

The reduction in total wages and staff numbers in 2021 is driven by the deconsolidation of the Branson Centre, which contributed £142,000 to staff costs in 2020. The remaining core staff costs in 2021 relate to Unite BVI.

The number of employees whose remuneration in the year fell into the bands below were:

	2021 £'000	2020 £'000
<£60,000	2	9
Between £60,001 and £70,000	-	2
Between £70,001 and £80,000	2	-
Between £80,001 and £90,000	-	-
Between £90,001 and £100,000	1	1
	<b>5</b>	<b>12</b>

The average number of staff employed during the year was 5 (2020: 12).

	2021 No.	2020 No.
Branson Centre Caribbean	-	9
Unite (BVI)	5	3
	<b>5</b>	<b>12</b>

# Virgin Unite Annual Report 2021

## *Trustee Remuneration*

No remuneration was paid to the Trustees during the year (2020: £nil). No Trustee travel expenses were reimbursed during the year (2020: £nil).

## *Senior Management Remuneration*

The Senior Management Team are regarded as the Group's key management personnel which comprised an average of 5 staff during 2021 (2020: 5 staff). The total remuneration for the Charity's key management personnel during 2021, including salary, employer social security, bonuses and employer pension contributions, totalled £1,049k (2020: £1,023k), all of which was covered as part of the Donations in Kind received from Virgin Management Limited and Virgin Management USA Inc, and therefore represented a £nil cost to the Charity.



# Virgin Unite Annual Report 2021

## 10 Tangible fixed assets (Group)

	Leasehold Improvements	Furniture, Fixtures and Equipment	Website development costs	I.T	Total
	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>					
At beginning of year	11	19	14	32	76
Impact of deconsolidation	(11)	(19)	(14)	(32)	(76)
At end of year	-	-	-	-	-
<b>Depreciation</b>					
At beginning of year	(3)	(13)	(14)	(27)	(57)
Impact of deconsolidation	3	13	14	27	57
At end of year	-	-	-	-	-
<b>Net book value</b>					
At 31 December 2021	-	-	-	-	-
At 31 December 2020	8	6	-	5	19

Tangible fixed assets relate to capitalised website development costs, IT, leasehold improvements and furniture, fixtures and fittings.

## 11 Investments (Group)

The movements in investments held with investment managers were as follows:

	2021 £'000	2020 £'000
Value held at beginning of the year	458	415
Additions (at cost)	28	43
Value held at end of the year	486	458

Split of investments between those based in the UK and those that are based overseas:

	2021			2020		
	UK £'000	Overseas £'000	Total £'000	UK £'000	Overseas £'000	Total £'000
VUC Catalyst Investment Trust	-	150	150	-	150	150
MaRs Catalyst Fund LP	-	336	336	-	308	308
<b>Total</b>	-	486	486	-	458	458

# Virgin Unite Annual Report 2021

## 12 Non-current debtors (Group and UK Charity)

	Group		UK Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Loans Receivable - Solar Now	8	8	8	8
Loans Receivable - Solar Work B.V.	6	6	6	6
Accrued income and prepayments	43	-	-	-
	<b>57</b>	<b>14</b>	<b>14</b>	<b>14</b>

No repayments were made on the loans receivable during the financial year.

## 13 Current debtors (Group and UK Charity)

	Group		UK Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade debtors	4	8	-	-
Accrued income and prepayments	550	880	34	20
Other debtors	4	3	-	2
	<b>558</b>	<b>891</b>	<b>34</b>	<b>22</b>

## 14 Creditors (Group and UK Charity)

	Group		UK Charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Amounts falling due within one year:				
Trade creditors	92	59	48	7
Accruals and deferred income	2,082	2,549	67	93
Amounts due to subsidiaries	-	-	1,148	49
Other creditors	39	-	-	3
	<b>2,213</b>	<b>2,608</b>	<b>1,263</b>	<b>152</b>

Deferred income relates to grants received in Unite BVI which did not meet the revenue recognition criteria at 31 December 2021.

## 15a Analysis of net assets between funds (Group)

	Tangible fixed assets £'000	Current assets £'000	Current liabilities £'000	Net assets £'000
Unrestricted funds	543	7,785	(2,213)	6,115
Restricted funds	-	2,853	-	2,853
<b>At 31 December 2021</b>	<b>543</b>	<b>10,638</b>	<b>(2,213)</b>	<b>8,968</b>

## 15b Analysis of net assets between funds (UK Charity)

	Tangible fixed assets £'000	Current assets £'000	Current liabilities £'000	Net assets £'000
Unrestricted funds	14	5,836	(1,263)	4,587
Restricted funds	-	68	-	68
<b>At 31 December 2021</b>	<b>14</b>	<b>5,904</b>	<b>(1,263)</b>	<b>4,655</b>

# Virgin Unite Annual Report 2021

## 16 Analysis of group net assets between funds (Group)

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total funds £'000
Net assets	2,847	3,268	2,853	8,968
<b>Total funds</b>	<b>2,847</b>	<b>3,268</b>	<b>2,853</b>	<b>8,968</b>

## 17 Unrestricted Funds (Group)

	Fund balances brought forward £'000	Income £'000	Expenditure £'000	Transfers £'000	Fund balances carried forward £'000
<b>Group</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
General fund	3,204	7,053	(3,745)	(3,665)	2,847
Designated fund	3,198	3,201	(6,388)	3,257	3,268
<b>Total funds</b>	<b>6,402</b>	<b>10,254</b>	<b>(10,133)</b>	<b>(408)</b>	<b>6,115</b>
<b>Company only</b>					
General fund	1,003	2,250	(1,741)	(39)	1,473
Designated fund	1,284	5,680	(3,762)	(88)	3,114
<b>Total funds</b>	<b>2,287</b>	<b>7,930</b>	<b>(5,503)</b>	<b>(127)</b>	<b>4,587</b>

# Virgin Unite Annual Report 2021

## 18 Restricted Funds (Group and UK Charity)

Fund name	Fund balances brought forward	Income	Expenditure	Transfers	Impact of deconsolidation	Fund balances carried forward
Group	£'000	£'000	£'000	£'000	£'000	£'000
100% Human at Work	286	-	(180)	79	-	185
Caribbean Climate Smart Accelerator	-	546	(429)	-	-	117
The Elders	37	-	(37)	-	-	-
Ocean Unite	11	-	(15)	4	-	-
The NewNow	280	-	(93)	23	-	210
<b>Large Scale Collaborative Initiatives</b>	<b>614</b>	<b>546</b>	<b>(754)</b>	<b>106</b>	<b>-</b>	<b>512</b>
Social Investments Canada	47	-	1	29	-	77
Re*Generation Canada	76	1	(26)	(51)	-	-
<b>Virgin Unite Local Entity Programmes</b>	<b>123</b>	<b>1</b>	<b>(25)</b>	<b>(22)</b>	<b>-</b>	<b>77</b>
Unite BVI	656	994	(1,129)	632	-	1,153
Entrepreneurship (inc. Virgin Unite Entrepreneurs)	574	-	(93)	(475)	-	6
Branson Centre Caribbean	393	-	-	73	(393)	73
Re*Generation USA	127	-	(11)	-	-	116
Business as a Force for Good	25	-	(25)	-	-	-
Galactic Unite	24	9	(10)	-	-	23
Pride 'n Purpose	8	42	(15)	10	-	45
Drugs and Prison Reform	-	48	(104)	56	-	-
BVI Recovery	725	1	(33)	(632)	-	61
Other	204	54	(131)	660	-	787
<b>Other Initiatives</b>	<b>2,736</b>	<b>1,148</b>	<b>(1,551)</b>	<b>324</b>	<b>(393)</b>	<b>2,264</b>
<b>Total funds</b>	<b>3,473</b>	<b>1,695</b>	<b>(2,330)</b>	<b>408</b>	<b>(393)</b>	<b>2,853</b>

During the financial period £408,000 (2020: £959,000) was transferred from Unite Group's unrestricted funds to restricted funds. The transfers were made to settle the costs incurred for certain charitable initiatives that were not otherwise covered by restricted funds.

### *Large Scale Collaborative Initiatives*

#### **100% Human at work**

100% Human at Work was founded on the belief that the time has come for business to start thinking of people as human beings and not as resources - moving away from maximising profits and profitability to focus on how we can help people achieve their highest potential and purpose, which will naturally positively impact the bottom line.

Our movement has brought together an extraordinary network of over 500 organisations and individuals around the world, who are shaping a vision for a better future of work, testing ideas and driving change.

We aim to lead the conversation, encourage collaboration and innovation, set the benchmark, facilitate learning and drive bold action, guided by our 100% Human at Work values of Equality, Respect, Growth, Belonging and Purpose.

# Virgin Unite Annual Report 2021

## 18 Restricted Funds *(continued)*

### **The Elders**

The Elders are an independent group of global leaders working together for peace, justice and human rights. Working both publicly and through private diplomacy, their mission is to engage with global leaders and civil society at all levels to resolve conflict and address its root causes, to challenge injustice, and to promote ethical leadership and good governance.

### **The NewNow**

The NewNow launched with a collective of rising global leaders who are tackling some of the toughest challenges for humanity and the planet. The NewNow exists to amplify, develop, and support these extraordinary individuals in order to increase their impact, inspire and lift others and tackle unacceptable issues, by working together to accomplish change through collective action. The NewNow's objective is to ensure that the voices of rising leaders are heard and that their agenda is implemented. The NewNow aim to achieve deep, sustainable and transformative global impact.

### **Caribbean Climate Smart Accelerator**

The Caribbean Climate-Smart Accelerator (CCSA) identifies and fast-tracks public and private investment opportunities that support climate action paired with economic growth. This enables Caribbean countries to build resilient infrastructure and societies, create jobs and advocate to ensure that the region achieves its ambition to become the world's first 'climate smart' zone.

### ***Other Initiatives***

#### **Entrepreneurship:**

Balances in this fund were accrued from historic Connection Trips and Leadership Gatherings and were restricted to projects and causes that supported Entrepreneurs. In 2021, transfers out of this fund were made to other restricted funds that supported Entrepreneurs, including Branson Centre of Entrepreneurship in the Caribbean, Liftups, and Planetary Guardians.

#### **Unite BVI:**

Unite BVI is a not-for-profit foundation based in the British Virgin Islands (BVI). They work on a range of projects – from advocating for the protection of the environment to initiatives that enrich the community such as supporting local entrepreneurs, investing in education and addressing public health and social welfare issues with sustainable solutions. Their overarching vision is to create opportunities that inspire and empower a generation of arising world-changers.

# Virgin Unite Annual Report 2021

## 18 Restricted Funds (continued)

Fund name	Fund balances brought forward £'000	Income £'000	Expenditure £'000	Transfers £'000	Fund balances carried forward £'000
<b>The Virgin Foundation (UK Charity only)</b>					
100% Human at Work	-	164	(164)	-	-
Caribbean Climate Smart Accelerator	-	-	(4)	4	-
The New Now	(1)	-	(17)	18	-
<b>Large Scale Collaborative Initiatives</b>	<b>(1)</b>	<b>164</b>	<b>(185)</b>	<b>22</b>	<b>-</b>
Unite BVI	32	115	(143)	(4)	-
Entrepreneurship (inc. Virgin Unite Entrepreneurs)	99	4	(75)	-	28
Rural Transport Network	1	-	(1)	-	-
Business as a Force for Good Morocco (Eve Branson Foundation)	3	22	(25)	-	-
Galactic Unite	-	10	(10)	-	-
Pride 'n Purpose	3	1	(14)	10	-
Peer to Peer Solar	1	-	(1)	-	-
Other	2	15	(76)	99	40
<b>Other Initiatives</b>	<b>141</b>	<b>167</b>	<b>(345)</b>	<b>105</b>	<b>68</b>
<b>Total funds</b>	<b>140</b>	<b>331</b>	<b>(530)</b>	<b>127</b>	<b>68</b>

Each of these funds are regarded as 'Restricted' as donations have been received in response to specific appeals. Refer to the Strategic Report for further details of projects.

During the financial period £127,000 (2020: £374,000) was transferred from Unite UK's unrestricted funds to restricted funds. The transfers were made to settle the costs incurred for certain charitable initiatives that were not otherwise covered by restricted funds.

# Virgin Unite Annual Report 2021

## 19 Reconciliation of net expenditure to net cash flow from operating activities (Group)

	2021 £'000	2020 £'000
<b>Net expenditure for the reporting period (as per the statement of financial activities)</b>	<b>(515)</b>	<b>(6,309)</b>
Adjustments for:		
Depreciation of tangible fixed assets	-	4
Unrealised foreign exchange loss	-	(213)
Decrease in debtors	268	51
Decrease in creditors	(240)	297
<b>Net cash used in operating activities</b>	<b>(487)</b>	<b>(6,170)</b>

## 20 Related party disclosures (Group)

The Trustees of The Virgin Foundation have interests directly or indirectly in certain other companies and are Trustees of certain other charitable organisations which are considered to give rise to related party disclosures. The transactions with related parties are stated below:

	2021 £'000	2020 £'000
<b>Grants made</b>		
Big Change	230	235
The Elders Foundation	137	141
Association Eve Branson Foundation	84	96
B Team	123	126
Caribbean Climate - Smart Accelerator	375	23
Safe Hands for Girls (The NewNow)	22	19
African Youth Initiative Network (The NewNow)	18	19
Digital Citizen Fund (The NewNow)	36	19
The Africa Center (The NewNow)	18	20
The Ecosystem Impact Foundation (The NewNow)	18	19
Ocean Unite	115	313
Ulusaba Pride & Purpose	14	62
Vest Source Two (Pty) Ltd (Mont Rochelle Hotel)	10	23
<b>Expenses</b>		
Ulusaba Rock Lodge (Pty) Limited	-	62
Virgin Management Limited	164	215
Perceptio Limited	-	16
B Team	-	1
The Elders Foundation	4	-
Ocean Unite	-	168
Harbottle & Lewis	20	14
Split Holdings Limited	205	214
<b>Income</b>		
Virgin Enterprises Limited	5,394	1,955
Virgin Holidays Limited	8	-
Virgin Management Limited	445	-
Split Holdings Limited	47	18

# Virgin Unite Annual Report 2021

## ***Donations in kind***

Virgin Management USA Inc	<b>810</b>	904
Virgin Management Limited	<b>2,457</b>	1,889

## ***Debtors***

Virgin Management Limited	-	16
---------------------------	---	----

## ***Creditors***

Harbottle & Lewis	<b>3</b>	1
Virgin Management Limited	<b>39</b>	-
Virgin Enterprises Limited	<b>2</b>	-
Split Holdings Limited	<b>27</b>	237

## **21 Governing documents**

The Virgin Foundation is constituted as a company limited by guarantee. Its governing documents are a Memorandum and Articles of Association. The Trustees of the Charity are also members of the Charity and, in the event of the Charity being wound up, are liable to contribute a maximum of £1. The Virgin Foundation is registered as a charity with the Charity Commission for England and Wales.



# Virgin Unite Annual Report 2021

## 22 Fixed asset investments (Charity)

	2021	2020
	£	£
Virgin Unite Trading Limited	<u>2</u>	<u>2</u>

The Charity owns the entire issued ordinary share capital of Virgin Unite Trading Limited, a company incorporated in England. The shares were acquired by way of gift.

## 23 Subsidiary and related charities

The overseas charities are included in the consolidation on the basis that the Virgin Foundation exercises dominant influence and control over these charities in accordance with paragraph 24 of the Charities SORP (FRS 102). Influence and control are deemed to exist due to the close oversight that the UK Charity has over the finances and operations of these overseas charities. In addition, Virgin Unite UK has entered into grant agreements with each of the charities with the aim of advancing the charitable purpose of Virgin Unite. The grants are paid to enable the charities to carry on with their charitable mission; Virgin Unite UK also has the right to cancel such grants or withhold outstanding amounts.

### *Virgin Unite Trading Limited*

The principal activity of Virgin Unite Trading Limited is marketing and promotion relating to charitable causes. The subsidiary pays all of its profits to the UK Charity by way of gift aid.

### *Virgin Unite USA, Inc.*

Virgin Unite USA, Inc. is a non-profit making organisation located in New York, USA. The principal activities include uniting global resources to promote entrepreneurial approaches to social and environmental issues and administration of various fund-raising activities. Virgin Unite USA, Inc. was incorporated on 15 December 2005 in the USA.

### *Virgin Unite Australia Limited*

Virgin Unite Australia Limited is a non-profit making organisation located in Sydney, New South Wales, Australia. The principal activities include uniting global resources to promote entrepreneurial approaches to social and environmental issues and administration of various fund-raising activities. Virgin Unite Australia Limited was incorporated on 23 December 2019 in Australia.

### *Virgin Unite (Canada) Inc.*

Virgin Unite (Canada) Inc. is a non-profit making organisation located in Toronto, Province of Ontario, Canada. The principal activities include uniting global resources to promote entrepreneurial approaches to social and environmental issues and administration of various fund-raising activities. Virgin Unite (Canada) Inc. was incorporated on 8 September 2007 in Canada.

### *Unite (BVI)*

Unite (BVI) is a local foundation dedicated to tackling community and environmental changes across the British Virgin Islands. Specifically, the foundation is focused on three key areas: supporting entrepreneurs, environmental conservation, and enriching the community through supporting education, health and social development projects. Unite (BVI) overheads are covered by Virgin Unite, meaning that 100% of all donations received go to initiatives they create or support. Unite (BVI) was incorporated on 12 July 2016 in the British Virgin Islands.

# Virgin Unite Annual Report 2021

*Branson Centre of Entrepreneurship – Caribbean Limited*

*Deconsolidated from 1st January 2021*

Branson Centre of Entrepreneurship - Caribbean Limited ('Branson Centre') is a non profit making organisation located in Montego Bay, Jamaica. The principal activities include uniting global resources to promote entrepreneurial approaches to social and environmental issues and administration of various fundraising activities. Branson Centre of Entrepreneurship - Caribbean Limited was incorporated on the 24 June 2011 in Jamaica, and was included in the Group accounts from its incorporation.

## *Deconsolidation*

A review was carried out at 1st January 2021 to assess the relationship between Virgin Unite UK and the overseas entities to consider which remained under its control.

This review concluded that whilst all the other subsidiaries listed above remain under Group control, the relationship between Virgin Unite UK and the Branson Centre has evolved significantly over time. As such that the Branson Centre was assessed as being operationally independent of Virgin Unite UK at the review date, and therefore no longer under the control of the Group.

As a result of this review, the Branson Centre of Entrepreneurship - Caribbean Limited was deconsolidated as at 1st January 2021, and its results are no longer included in the Group results from that date. This has resulted in a charge of £393,000 recognised in the Consolidated Statement of Financial Activities as the net assets of the Branson Centre were eliminated from the Consolidated Balance Sheet at that date.

The impact of deconsolidation is calculated as follows:

	<b>2021</b>
	<b>£</b>
<b>Carrying amount of assets and liabilities as at the date of deconsolidation:</b>	
Non-current assets	19
Other current assets	22
Cash at bank	506
Current liabilities	(154)
Non-current liabilities	
<b>Net assets</b>	<b>393</b>
Unrestricted funds	-
Restricted funds	393
	<b>393</b>
<b>Loss on deconsolidation</b>	<b>393</b>

# Virgin Unite Annual Report 2021

## 24 Group entities

The entities consolidated into the Group financial statements as at 31 December 2021 were as follows:

Subsidiaries	Country of incorporation	Share type and % holding	Company number	Net assets as at 31 December 2021 (£'000)	Gross income for the year ended 31 December 2021 (£'000)	Expenditure for the year ended 31 December 2021 (£'000)	Profit or loss for the year ended 31 December 2021 (£'000)
<b>Virgin Unite Trading Limited</b> 7 Savoy Court, London, WC2R 0EX, United Kingdom	England & Wales	100%, Ordinary	3126284	39	194	(164)	30
<b>Virgin Unite BVI Limited</b> Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, British Virgin Islands	British Virgin Islands	100%, Ordinary	1919768 NPN 100187	(83)	991	(1,212)	(221)
<b>Virgin Unite USA Inc.</b> 65 Bleecker Street, 6th Floor, New York 10012, United States of America	United States of America	Limited by guarantee	4079290 / EIN: 13-4188824	2,815	4,238	(6,646)	(2,408)
<b>Virgin Unite (Canada) Inc.</b> 720 King Street West, Suite 905, Toronto M5V 2T3, Canada	Canada	Registered charity	Business Number (BN) 841790728RC0001, Corporation Number 438331-1	850	1	(18)	(17)
<b>Virgin Unite Australia Limited</b> Level 5, East Village, 2a Defries Avenue, Zetland, NSW 2017, Australia	Australia	Limited by guarantee	637 161 203	486	0	(332)	(332)

## 25 Post balance sheet events

There have been no significant events affecting the charitable company since the balance sheet date.