

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

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FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees

D C Bonas
J P P Goodwin (resigned 23 April 2020)
N D Hutchinson
P D Kimmelman
R J Reed (resigned 23 April 2020)
A M Semboglou (resigned 23 April 2020)
V Bhargava (appointed 23 April 2020)
R I Chapman (appointed 23 April 2020)
L H L Ding (appointed 23 April 2020)

Company registered number 08565148

Charity registered number 1162201

Registered office Office 2.19
Runway East London Bridge
20 Thomas Street
London
SE1 9RS

Chief executive officer David Goldberg

Independent auditor Crowe U.K. LLP
Carrick House
Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Bankers

Silicon Valley Bank
14-18 Finsbury Square
London
EC2A 1BR

Metro Bank
1 Southampton Row
Holborn
London
WC1B 5HA

Pictet & Cie (Europe) S.A.
Stratton House, 6th Floor
5 Stratton St
London
W1J 8LA

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
(CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Legal Advisor Cooley UK LLP
69 Old Broad Street
London
EC2M 1QS

Legal Advisor Macfarlanes LLP
20 Cursitor Street
London
EC4A 1LT

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements for the year 1 January 2020 to 31 December 2020. The Trustees confirm that the Annual Report and financial statements of the group comply with the current statutory requirements, the requirements of the group's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims for the public benefit

The objects of the group are:

- to support the charitable sector by promoting and improving the efficiency and effectiveness of methods used to secure charitable resources, in particular (but not exclusively) by raising awareness among individuals involved in the digital business community;
- to advance the education of individuals and organisations working in technology, digital media and other digital industries as to the ways in which their business knowledge and experience could be used to improve the effectiveness of charities, in particular but not exclusively by the provision of educational programmes.
- to further such purpose or purposes which are exclusively charitable according to the law of England and Wales in such manner as the Trustees in their absolute discretion think fit.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the group's aims and objectives and in planning future activities and setting the grant-making policy for the year.

The group carries out these objects through its charitable activities by:

- Running in person and virtual events for our members, which had 155 in person attendees and 425 remote attendees during the year. We hope to continue to engage with our members over dinners once the COVID-19 pandemic permits but also successfully tested a retreat format to bring our members together to create a meaningful experience for 40 members, and introduced virtual, inherently scalable interactions in 2020. We will continue to test novel ways to bring out members together to create intentional and impactful experiences.
- Making a significant number of grants: all-time we have made over 830 grants of which 50% were made in 2020 and we have moved more than \$13.5m to 53 high-impact charities.
- Maintaining our ambition to grow our community of members and increase the pledge value of commitments. We have continued to expand our research expertise and have published a number of reports, on topics ranging from Animal Welfare to Investing to Give, and which are available online.

As at 31 December 2020, our members have committed circa \$3.5bn/£2.5bn to the charitable sector by signing a pledge with Founders for Good Ltd or Founders Pledge Inc.

Grant-making policy

All grants are recommended by the Deployment Team for approval by either the Trustees or those with authority to approve on their behalf. The Deployment Team conducts due diligence on the potential recipient and as part of the approval process it is ensured that any grants made are aligned with Founders Pledge's Charitable Purposes.

FOUNDERS FOR GOOD LTD
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The group is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Structure

Founders for Good is the sole member of Founders Pledge Inc, and Founders Pledge GmbH is a wholly owned subsidiary of Founders for Good. Founders Pledge Inc is a charity registered in the United States of America and is wholly owned by Founders for Good Limited. Founders Pledge GmbH is a charity registered in Germany and was acquired on the 4 December 2020. Full details are disclosed in note 25 of the financial statements.

Recruitment and appointment of new trustees

Founders for Good recognises that an effective board of Trustees is essential if the group is to be effective in achieving its objects. The board must seek to be representative of the people with whom the group works and must have available to it all of the knowledge and skills required to run the group. Individual Trustees must have sufficient knowledge, both of trusteeship in general and of the group's activities, to enable them to carry out their role and to represent the group at meetings and other events.

Individuals who appear suitable candidates will be invited to attend individual meetings with existing Trustees and will receive further information regarding the role of being a Trustee. If, following this meeting, at least two Trustees wish to proceed the candidate will need to be approved by a two-thirds vote of existing Trustees/board directors.

Decision making

The Trustees focus on strategy, performance and assurance and delegate operational matters to the CEO and staff of Founders Pledge. Specific Trustee duties and delegations are set out in the Founders for Good Ltd Trustee Duties and Delegations framework. Trustees approve budgets, policies, remuneration proposals for the Chief Executive Officer and other senior management staff. All grants are reviewed by the board and approvals are conducted by the Trustees or by senior staff according to the Founders Pledge Grant Approvals Delegation framework. The Founders Pledge Signatory and Approvals Matrix document outlines where Trustees delegate approvals and signatory authority to staff members and at which thresholds. Staff proactively bring any decisions which incur medium to high level of risk to the Trustees for their oversight, and the Trustees regularly review the Founders Pledge risk register and make recommendations. The Founders Pledge Audit and Risk Committee also make recommendations to the Trustees to inform their decision making.

Pay policy for key management personnel

The Trustees consider and assess pay levels for all staff taking into account market conditions as well as individual roles and responsibilities. The pay of the key management personnel is reviewed annually by the Trustees to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

STRATEGIC REPORT

FUTURE PERFORMANCE AND RISKS

Factors likely to affect future financial performance

Overall, Founders for Good Ltd mainly relies on both grant and individual funding to support its operations. The performance of the organisation, however, is measured both in how much money we can secure in committed pledge funds, as well as how many grants we make. The main factors in securing pledge commitments are: trust in Founders for Good Ltd by the public and potential members, our ability to provide tax relief to donors, the professionalism with which we can maintain our relationships with our members, and the ability of the team to meet with founders at our own events as well as external events. The main factors in maintaining donor support for our operations are: the effectiveness of the grants we make, our ability to report that the donors' money isn't better spent elsewhere, and our ability to influence the money our members donate for grants.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Principal funding sources

Our principal funding sources are pledge fulfilment and donations.

Founders Pledge ended 2020 in a strong financial position with unrestricted cash reserves for OPEX of £5,332,300 which would cover an estimated 14 months of operation. Principal sources of funding include member donors, and non-member donors who comprise individuals, foundations and corporates.

The Trustees approved cost reduction measures as a result of the emergence of Covid 19 to hedge against uncertainty of future fundraising success. These actions resulted in a reduction in staff cost of c.22% and non-staff cost of c.50%. In practice the group was able to continue operations almost uninterrupted and potential fundraising limitations did not materialise.

Principal risks and uncertainties

The Trustees have considered the key risks of the group and continuously evaluate and manage the most significant risks, including reputational and organisational. During 2019 Founders Pledge established a risk register process in which potential risks are evaluated according to a consistent framework and policy, and risk events that have occurred are logged and reviewed. This process was further embedded during 2020.

This Risk register is updated quarterly with any risk events that have occurred and reassessments of potential risks. These are presented to the Audit and Risk Committee, and then to the board along with any recommendations from the Audit and Risk Committee.

A key risk that was addressed in 2020 was to ensure complete registrations for fundraising in all jurisdictions, to safeguard Founders Pledge from any current or future omissions of compliance. An efficient process has been implemented to ensure ongoing mitigation of this risk.

Following the advent of the COVID-19 pandemic a key risk was identified related to employee health and safety. Steps were taken to mitigate the risks for employees working from home or returning to the office, with consideration given to employees' individual needs.

Of the potential risks identified for Founders Pledge and tracked in the risk register, 'fundraising capability to meet the ongoing OPEX needs of the organisation' has the highest inherent risk rating. The Trustees review current and predicted fundraising success and pipeline every board meeting, and contribute to both fundraising strategy and potential new donor identification.

The Trustees have considered the key risks of the group and continuously evaluate and manage the most significant risks, including reputational and organisational. The Trustees have established clear policies and procedures to mitigate and manage such risks. The Trustees have due regard to retaining and recruiting Trustees with sufficient skill and expertise to manage and strategically evaluate the risks.

Reserves Policy

Formerly, our reserves policy was to have 12 months of cash at bank. Following the COVID-19 pandemic, the management team made the decision to increase the reserves target. As a result, from May 2020 Founders for Good Ltd set a stretch target of 15 months of cash at bank and 24 months of cash at bank plus committed funding. We held monthly financial reviews with a view to implementing further cost cutting measures if the reserves dipped below 12 months for any sustained period.

As At 31 December 2020, Founders Pledge total reserves were £19,926,995 of which £14,547,998 were restricted under trust law to specific funds. As at 31 December 2020, unrestricted reserves amounted to £5,378,997 which is mostly represented by cash at bank and would cover an estimated 14 months of operation.

In line with the Charity Commission definition, our general reserves stood at £5,345,225 which equates to our unrestricted funds excluding fixed assets.

FOUNDERS FOR GOOD LTD
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Plans for future periods

At 31 December 2020 we had secured committed funds that equated to a runway of 16 months. Our fundraising strategy centres around securing medium term commitments. Membership of the Foundry (major donors >\$250k) requires a 3 year commitment, and our programme of Sustaining Partners (members donating >\$50k) builds a larger pool of donors to cultivate towards ongoing and larger donations. While funding has yet to be secured for this entire duration, discussion of increased and continued donations from our major donors is in progress.

The Trustees and senior management team have been monitoring the current and potential ongoing impact of COVID-19 both directly on the group's activities and indirectly in its areas of operations through reviewing changing UK and other government policy and advice, and through wider information gathering. The main considerations are as follows:

Operational

The Trustees and management continue to operate under a business protection plan which requires all staff to operate in line with government guidelines and work remotely wherever practicable with strict protocols for limited head office access. Communications and on-line collaboration tools are being used within the group that allow for efficient remote working and the group's IT facilities are adequate to maintain operations on this basis for the foreseeable future. Founders Pledge has created a business continuity plan to ensure continued smooth operations should an employee unfortunately fall sick. Almost all roles can function from home just as they would in the office. The Trustees and management are mindful of the differing pressures on individual members of staff, and also of the fact that these pressures change as the position nationally and locally develops. The Trustees and management expect that operational changes will continue to be required as the position develops and vaccines are rolled out. Plans are in place for a controlled return to head office, or alternate working locations where necessary, in line with government guidelines over the coming months.

Fundraising Pipeline

In 2021 we are continuing to invest in the Foundry and Sustaining Partners donor communities, and are building on the support of 2020 first time donors to ensure a renewing base of annual supporters. In particular, we are building on our member support by integrating fundraising messaging throughout our comms to members. We are also cultivating new donors who have actively been introduced to us rather than prospecting outside of our current network as a result of strong inbound interest. We are also continuing to diversify our funding base through new corporate and foundation partners where we find alignment to ensure the sustainability of our fundraising streams.

Going Concern

Due to the Covid-19 pandemic, Founders Pledge has adapted to a new normal. This was primarily in the form of cost cutting, whereby we reduced non-staff related operational spend by c.50% and staff headcount by 22%. This, and a strong push to bring in outstanding fundraising, has allowed us to secure a more comfortable reserve to mitigate the risk of a prolonged window of effects from the pandemic. The management team have been modelling different future scenarios and determining contingency plans in the context of the risk appetite determined by the Board. The Trustees recognise that as the scenarios change, decisions may need to be made in relation to the scale of the group's activities and the staffing levels required to support them. Throughout 2020 Founders Pledge were able to operate and fundraise successfully throughout the pandemic, and we anticipate sustaining careful growth in operations during 2021 and 2022. The cash position of the organisation is being closely monitored by management on a monthly basis and quick action will be taken if we find indications of reduced reserve levels. With current reserve levels, even the most pessimistic scenario shows that the organisation can continue to operate as a going concern.

The Trustees and management team are regularly monitoring the position to determine the right way forward as events unfold. As a result, Founders Pledge does not see any material uncertainty that affects the going concern of the organisation.

FOUNDERS FOR GOOD LTD
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Members

Throughout 2020 we saw a trend in our members increasing their resolve to help out and do good. Instead of abating as the COVID-19 pandemic progressed, this trend has thankfully continued. We have also trialled new technology-enabled ways of communicating with our members, enabling us to engage with a greater number of members on a regular basis, increasing the number of our members who we are able to meaningfully interact with. These will be further embedded and developed going forward.

Fundraising

The group recognised the provisions of the Charities (Protection and Social Investment) Act 2016. The group takes a responsible approach to its fundraising, ensuring pledgers and potential pledgers are treated with respect. The group has not used any commercial fundraising partners or outsourced its fundraising activity. No complaints were received in respect of fundraising. No funds are raised directly from members of the public. All funds are raised from high net worth individuals, foundations and corporates, many of whom are members of Founders Pledge. Donations requests are supported by data and evidence of the counterfactual impact created by Founders Pledge and no individual or organisation is placed under undue pressure to support the financial operations of the group.

Statement of Trustees' responsibilities

The Trustees (who are also Directors of Founders for Good Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report, was approved by the Trustees, in their capacity as company directors and signed on their behalf by:



V Bhargava
Chair of Trustees

Date:

04 / 19 / 2021

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS FOR GOOD LTD

Opinion

We have audited the financial statements of Founders for Good Ltd ('the charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2020 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS FOR GOOD LTD (CONTINUED)

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and the Director's Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the 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.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS FOR GOOD LTD (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019 and the Internal Revenue Service for compliance with local tax regulations in the United States of America. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud.

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.

FOUNDERS FOR GOOD LTD
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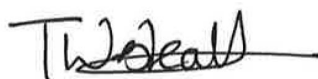
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FOUNDERS FOR GOOD LTD (CONTINUED)

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of donation income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, designing audit procedures over donation income and reading minutes of meetings of those charged with governance.

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 (irregularities) 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 remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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 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 and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Tara Westcott (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Carrick House

Lypiatt Road
Cheltenham
Gloucestershire
GL50 2QJ

Date: 17 June 2021

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations	4	5,946,396	13,344,623	19,291,019	12,996,728
Other trading activities	5	469,976	-	469,976	-
Investments	6	3,371	-	3,371	856
Total income		6,419,743	13,344,623	19,764,366	12,997,584
Expenditure on:					
Raising funds	7	41,836	-	41,836	141,273
Charitable activities	8	3,559,223	6,241,369	9,800,592	7,146,083
Total expenditure		3,601,059	6,241,369	9,842,428	7,287,356
Net gains on investments		-	3,474	3,474	16,807
Net income		2,818,684	7,106,728	9,925,412	5,727,035
Foreign exchange losses		(386,465)	-	(386,465)	(156,915)
Net movement in funds		2,432,219	7,106,728	9,538,947	5,570,120
Reconciliation of funds:					
Total funds brought forward		2,946,778	7,441,270	10,388,048	4,817,928
Net movement in funds		2,432,219	7,106,728	9,538,947	5,570,120
Total funds carried forward		5,378,997	14,547,998	19,926,995	10,388,048

The notes on pages 16 to 34 form part of these financial statements.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08565148

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	33,772	53,292
Investments	14	193,250	149,532
		227,022	202,824
Current assets			
Debtors	15	639,290	169,206
Cash at bank and in hand	21	19,250,634	10,584,729
		19,889,924	10,753,935
Creditors: amounts falling due within one year	16	(189,951)	(568,711)
Net current assets		19,699,973	10,185,224
Net assets		19,926,995	10,388,048
Charity funds			
Restricted funds	18	14,547,998	7,441,270
Unrestricted funds	18	5,378,997	2,946,778
Total funds		19,926,995	10,388,048

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



V Bhargava
 (Chair of Trustees)
 Date: 04 / 19 / 2021

The notes on pages 16 to 34 form part of these financial statements.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08565148

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	21,251	41,182
Current assets			
Debtors	15	436,235	165,833
Cash at bank and in hand	21	11,032,695	6,966,473
		<u>11,468,930</u>	<u>7,132,306</u>
Creditors: amounts falling due within one year	16	(123,755)	(519,761)
Net current assets		<u>11,345,175</u>	<u>6,612,545</u>
Net assets		<u><u>11,366,426</u></u>	<u><u>6,653,727</u></u>
Charity funds			
Restricted funds	18	8,771,604	4,552,789
Unrestricted funds	18	2,594,822	2,100,938
Total funds		<u><u>11,366,426</u></u>	<u><u>6,653,727</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



V Bhargava
(Chair of Trustees)
Date: 04 / 19 / 2021

The notes on pages 16 to 34 form part of these financial statements.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	20	8,708,678	6,214,044
Cash flows from investing activities			
Dividends and interest from investments		3,371	856
Proceeds from the sale of tangible fixed assets		-	68
Purchase of tangible fixed assets		(5,900)	(44,987)
Proceeds from sale of investments		149,532	47,494
Purchase of investments		(189,776)	(132,725)
Net cash used in investing activities		(42,773)	(129,294)
Change in cash and cash equivalents in the year		8,665,905	6,084,750
Cash and cash equivalents at the beginning of the year		10,584,729	4,499,979
Cash and cash equivalents at the end of the year	21	19,250,634	10,584,729

The notes on pages 16 to 34 form part of these financial statements

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Founders for Good Ltd is a charitable company, limited by guarantee, domiciled in England and Wales, company registration number 08565148 and charity registered number 1162201. The registered office is Office 2.19, Runway East London Bridge, 20 Thomas Street, London, SE1 9RS.

The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Founders for Good Ltd meets the definition of a public benefit entity under FRS 102.

The financial statements consolidate the accounts of Founders for Good Ltd and its subsidiary undertakings. The subsidiary charities, Founder Pledge Inc. and Founders Pledge GmbH have been included in the consolidation as Founders for Good Ltd is deemed to have control as they are able to appoint the Trustees of the charities. The results of the subsidiaries have been consolidated on a line by line basis.

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

2.2 Going concern

Due to the COVID19 virus, the Trustees have undertaken planning and forecasting and continue to closely monitor the developing situation. The management team have been modelling different future scenarios and determining contingency plans in the context of the risk appetite determined by the Board. The cash position of the group is being closely monitored and costs are being re-forecasted based on an amended budget, which takes the cost-cutting into account. Despite the current circumstances the trustees believe that the group's financial resources and contingency planning is sufficient to ensure the ability of the group to continue as a going concern for the foreseeable future, being at least twelve months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 Income

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

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT where applicable. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Costs of raising funds relates to activities that are intended to generate income.

Expenditure on charitable activities is allocated to the relevant charitable activities on a basis consistent with resources used against the strategic plan.

Governance costs relate to the governance of the group apportioned to charitable activities.

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

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

2.6 Taxation

As a charity the group is exempt from UK corporation tax to the extent that its income is applied to its charitable objects.

2.7 Tangible fixed assets and depreciation

All items with a value over £1,000 are reviewed to identify if they are of a capital nature. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value on a straight line basis over their estimated useful lives.

Depreciation is provided on the following basis:

Office equipment	-	25%
Computer equipment	-	33%

Where any assets are impaired in value, provisions are made to reduce the book value on such assets to the recoverable amount.

2.8 Investments

Fixed asset investments are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

2.9 Financial instruments

The group only 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.

2.10 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.11 Pensions

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.12 Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Income recognition

In applying the group's policy for income recognition the Trustees are required to consider the group's entitlement to the receipt of the income based on the terms of the 'pledge'. The applied accounting treatment is that of receipts, given the uncertainty of whether the funds would be received through Founders Pledge or whether the 'pledge' funds would be directed through a private foundation or other charity.

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Income from donations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Acquisition of Founders Pledge GmbH	112,250	299,298	411,548	-
Donations	5,834,146	13,045,325	18,879,471	12,996,728
Total 2020	<u>5,946,396</u>	<u>13,344,623</u>	<u>19,291,019</u>	<u>12,996,728</u>
<i>Total 2019</i>	<u>3,991,062</u>	<u>9,005,666</u>	<u>12,996,728</u>	

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Fundraising event	66,938	66,938	-
PPP loan forgiven	154,218	154,218	-
CJRS grant	38,622	38,622	-
Consulting income	193,215	193,215	-
Deposit refund	16,983	16,983	-
	<u>469,976</u>	<u>469,976</u>	<u>-</u>

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Bank interest	3,371	3,371	856
<i>Total 2019</i>	<u>856</u>	<u>856</u>	

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Website	29,974	29,974	5,498
Travel and subsistence	11,145	11,145	130,378
Advertising	717	717	5,397
Total 2020	<u>41,836</u>	<u>41,836</u>	<u>141,273</u>
<i>Total 2019</i>	<u>141,273</u>	<u>141,273</u>	

FOUNDERS FOR GOOD LTD
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Charitable activities	3,559,223	6,241,369	9,800,592	7,146,083
<i>Total 2019</i>	3,321,660	3,824,423	7,146,083	

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Charitable activities	139,415	6,241,369	3,419,808	9,800,592	7,146,083
<i>Total 2019</i>	197,426	3,824,423	3,124,234	7,146,083	

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Direct activities 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	2,758,628	2,758,628	2,334,123
Depreciation	25,420	25,420	23,337
Events costs	620	620	5,156
Freelance fees	58,727	58,727	55,654
Travel costs	-	-	6,051
IT costs	77,525	77,525	60,836
Staff training	108,660	108,660	71,726
Recruitment	2,079	2,079	46,469
Other staff costs	118,269	118,269	88,092
Foreign exchange gain	31,500	31,500	70,523
Audit and accountancy	11,639	11,639	28,587
Bank charges	6,290	6,290	5,487
Telephone and internet	2,560	2,560	8,007
Legal expenses	37,088	37,088	24,664
General office expenses	11,293	11,293	51,615
Property rent and other costs	139,225	139,225	190,447
HMRC	5,593	5,593	30,756
Governance costs	24,692	24,692	22,704
	<u>3,419,808</u>	<u>3,419,808</u>	<u>3,124,234</u>

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

10. Analysis of grants

	Grants to Institutions 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Grants	6,241,369	6,241,369	3,824,423
<i>Total 2019</i>	<u>3,824,423</u>	<u>3,824,423</u>	

The Group has made the following material grants to institutions during the year:

Name of institution	2020 £	<i>2019 £</i>
Open Lunar Foundation	-	1,514,039
Machine Intelligence Research Institute	686,199	-
Charity Global UK Ltd	386,112	-
Cisac	-	274,726
Bandhan	374,458	251,019
Other grants to institutions	4,794,600	1,784,639
	<u>6,241,369</u>	<u>3,824,423</u>

11. Auditor's remuneration

	2020 £	<i>2019 £</i>
Fees payable for the audit of the consolidated group accounts	15,500	15,200
Fees payable to the group's auditor in respect of:		
Audit of the US subsidiary	11,200	11,200
All non-audit services not included above	2,200	1,000
	<u>29,900</u>	<u>27,400</u>

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. Staff costs

	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Wages and salaries	2,440,507	<i>2,016,308</i>	1,602,948	<i>1,394,322</i>
Social security costs	257,160	<i>214,767</i>	185,931	<i>164,592</i>
Contribution to defined contribution pension schemes	60,961	<i>103,048</i>	36,083	<i>84,885</i>
	<u>2,758,628</u>	<i><u>2,334,123</u></i>	<u>1,824,962</u>	<i><u>1,643,799</u></i>

The average number of persons employed by the group during the year was as follows:

	Group 2020 No.	<i>Group 2019 No.</i>
Employees	48	<i>27</i>
Directors	6	<i>8</i>
	<u>54</u>	<i><u>35</u></i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2020 No.	<i>Group 2019 No.</i>
In the band £60,001 - £70,000	8	<i>2</i>
In the band £70,001 - £80,000	1	<i>1</i>
In the band £80,001 - £90,000	2	<i>2</i>
In the band £90,001 - £100,000	1	<i>1</i>
In the band £120,001 - £130,000	1	<i>-</i>
In the band £140,001 - £150,000	1	<i>-</i>
	<u>15</u>	<i><u>6</u></i>

Total remuneration in respect of key management personnel was £647,015 (2019: £647,715).

Termination payments totalling £67,021 (2019: £nil) were made during the year, and no balances remain outstanding at year end. These were as a result of restructuring due to the Covid-19 pandemic.

During the year ended 31 December 2020, no Trustee received remuneration (2019: £nil) and no Trustee expenses have been incurred (2019: £nil).

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

13. Tangible fixed assets

Group

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2020	19,653	68,733	88,386
Additions	1,220	4,680	5,900
At 31 December 2020	<u>20,873</u>	<u>73,413</u>	<u>94,286</u>
Depreciation			
At 1 January 2020	8,169	26,925	35,094
Charge for the year	6,760	18,660	25,420
At 31 December 2020	<u>14,929</u>	<u>45,585</u>	<u>60,514</u>
Net book value			
At 31 December 2020	<u>5,944</u>	<u>27,828</u>	<u>33,772</u>
<i>At 31 December 2019</i>	<u>11,484</u>	<u>41,808</u>	<u>53,292</u>

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

13. Tangible fixed assets (continued)

Company

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2020	19,653	54,745	74,398
Additions	1,220	1,428	2,648
At 31 December 2020	<u>20,873</u>	<u>56,173</u>	<u>77,046</u>
Depreciation			
At 1 January 2020	8,169	25,047	33,216
Charge for the year	6,760	15,819	22,579
At 31 December 2020	<u>14,929</u>	<u>40,866</u>	<u>55,795</u>
Net book value			
At 31 December 2020	<u>5,944</u>	<u>15,307</u>	<u>21,251</u>
<i>At 31 December 2019</i>	<u>11,484</u>	<u>29,698</u>	<u>41,182</u>

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

14. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 January 2020	149,532
Additions	189,776
Disposals	(149,532)
Revaluations	3,474
At 31 December 2020	193,250
Net book value	
At 31 December 2020	193,250
<i>At 31 December 2019</i>	<i>149,532</i>

15. Debtors

	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Amounts owed by group undertakings	-	-	18,432	<i>18,432</i>
Other debtors	12,828	<i>17,099</i>	11,177	<i>12,313</i>
Prepayments and accrued income	626,462	<i>152,107</i>	406,626	<i>135,088</i>
	639,290	<i>169,206</i>	436,235	<i>165,833</i>

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

16. Creditors: Amounts falling due within one year

	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Other loans	-	8,082	-	8,082
Trade creditors	11,175	48,010	11,175	36,097
Other taxation and social security	68,606	85,208	68,606	85,208
Other creditors	8,932	21,868	8,772	15,290
Accruals and deferred income	101,238	405,543	35,202	375,084
	189,951	568,711	123,755	519,761
	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Deferred income at 1 January 2020	235,599	-	205,140	-
Resources deferred during the year	-	235,599	-	205,140
Amounts released from previous periods	(235,599)	-	(205,140)	-
	-	235,599	-	205,140

Deferred income relates to a consultancy contract and fundraising income.
Other creditors includes £9,749 (2019: £10,071) outstanding pension contributions.

17. Financial instruments

	Group 2020 £	<i>Group 2019 £</i>
Financial assets		
Financial assets measured at fair value through income and expenditure	193,250	149,532

Financial assets measured at fair value through income and expenditure comprise listed investments.

FOUNDERS FOR GOOD LTD
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

18. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
General Funds	2,946,778	6,419,743	(3,601,059)	(386,465)	5,378,997
Restricted funds					
Pledge fulfilment fund	7,441,270	13,344,623	(6,241,369)	3,474	14,547,998
Total of funds	10,388,048	19,764,366	(9,842,428)	(382,991)	19,926,995

Restricted funds

Pledge fulfilment fund represents pledges received from members where due diligence on a potential recipient has not been completed.

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

18. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2019 £</i>
Unrestricted funds						
General Funds	2,444,708	3,991,918	(3,462,933)	130,000	(156,915)	2,946,778
Restricted funds						
Pledge fulfilment fund	2,130,333	9,005,666	(3,824,423)	112,887	16,807	7,441,270
Donor advised	100,000	-	-	(100,000)	-	-
Single donation	142,887	-	-	(142,887)	-	-
	<u>2,373,220</u>	<u>9,005,666</u>	<u>(3,824,423)</u>	<u>(130,000)</u>	<u>16,807</u>	<u>7,441,270</u>
Total of funds	<u><u>4,817,928</u></u>	<u><u>12,997,584</u></u>	<u><u>(7,287,356)</u></u>	<u><u>-</u></u>	<u><u>(140,108)</u></u>	<u><u>10,388,048</u></u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	33,772	-	33,772
Fixed asset investments	-	193,250	193,250
Current assets	5,535,176	14,354,748	19,889,924
Creditors due within one year	(189,951)	-	(189,951)
Total	<u><u>5,378,997</u></u>	<u><u>14,547,998</u></u>	<u><u>19,926,995</u></u>

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	53,292	-	53,292
Fixed asset investments	-	149,532	149,532
Current assets	3,462,197	7,291,738	10,753,935
Creditors due within one year	(568,711)	-	(568,711)
Total	<u>2,946,778</u>	<u>7,441,270</u>	<u>10,388,048</u>

20. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	<i>Group 2019 £</i>
Net income for the period (as per Statement of Financial Activities)	<u>9,925,412</u>	<u>5,727,035</u>
Adjustments for:		
Depreciation charges	25,420	23,337
(Gains) on investments	(3,474)	(16,807)
Dividends and interest from investments	(3,371)	(856)
(Increase)/decrease in debtors	(470,084)	152,777
(Decrease)/increase in creditors	(378,760)	485,473
Foreign exchange losses	(386,465)	(156,915)
Net cash provided by operating activities	<u>8,708,678</u>	<u>6,214,044</u>

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

21. Analysis of cash and cash equivalents

	Group 2020	<i>Group 2019</i>
	£	£
Cash in hand	19,250,634	10,584,729
Total cash and cash equivalents	19,250,634	10,584,729

22. Analysis of changes in net debt

	At 1 January 2020	Cash flows	Loan write off	At 31 December 2020
	£	£	£	£
Cash at bank and in hand	10,584,729	8,665,905	-	19,250,634
Debt due within 1 year	(8,082)	-	8,082	-
	10,576,647	8,665,905	8,082	19,250,634

23. Operating lease commitments

At 31 December 2020 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020	<i>Group 2019</i>	Company 2020	<i>Company 2019</i>
	£	£	£	£
Not later than 1 year	8,000	111,087	8,000	111,087
Later than 1 year and not later than 5 years	-	24,000	-	24,000
	8,000	135,087	8,000	135,087

The following lease payments have been recognised as an expense in the Statement of Financial Activities in relation to the above operating leases:

	Group 2020	<i>Group 2019</i>	Company 2020	<i>Company 2019</i>
	£	£	£	£
Operating lease rentals	96,000	32,000	96,000	32,000

FOUNDERS FOR GOOD LTD
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

24. Related party transactions

During the year ended 31 December 2020, donations and contributions totalling £1,039,068 (2019: £236,000) were received from Trustees and key management personnel (and their immediate relatives).

A Trustee during the year, J P P Goodwin (resigned 23 April 2020), is also a designated partner in Founders Forum LLP. In 2015 a loan of £8,082 was provided to the charity from Founders Forum LLP. During the year ended 31 December 2020, this balance was agreed to be written off (2019: £8,082 outstanding).

A Trustee, N Hutchinson, has a minority stake in Kokoba Ltd and Forward Internet Holdings Ltd, from whom Founders for Good Ltd rented office space during the year totalling £96,000 (2019: £32,000). No balances were outstanding at year end (2019: £Nil).

During the year and before acquisition, grants were made to Founders Pledge GmbH totalling £111,657 (2019: £Nil). This was a related party through the CEO of Founders for Good Ltd who held a majority stake in the entity before donating to the group. No transactions have been made since acquisition and no balances were outstanding at year end.

25. Subsidiaries

Founders Pledge Inc.

The above charity is registered in the United States of America, and is consolidated as control exists through the ability of Founders for Good Ltd to appoint Trustees to the Board.

The financial results for the year translated to GBP (£) were:

	2020	2019
Income	8,513,069	4,969,053
Expenditure	3,865,703	1,518,213
Investment gains	3,474	16,807
Profit	4,650,840	3,467,647
Net assets	8,385,831	3,734,991

The above charity is registered at 228 Park Ave S, PMB 71081, New York, New York 10003 in the United States of America.

Founders Pledge GmbH

The charity was acquired on 4 December 2020 via donation to the group by the sole shareholder for no cost and is consolidated on the basis of ownership. The net assets at acquisition are shown as a donation in Note 4. The financial results for the period since acquisition translated to GBP (£) were:

	2020
Income	158,987
Expenditure	8,661
Profit	145,988
Net assets	557,536

The above charity is registered at Friedrichstr, 206, c/o e.ventures, 10969 Berlin, Germany.

For both subsidiaries, the foreign exchange differences on consolidation are shown in the consolidated SOFA beneath the net income for the year.