

**THE MITIE FOUNDATION**  
(A company limited by guarantee)  
**ANNUAL REPORT & FINANCIAL STATEMENTS**  
**31 MARCH 2020**

**Company Registration Number 08107587**  
**Charity Number 1148858**



**THE MITIE FOUNDATION**  
**TRUSTEES' ANNUAL REPORT**  
**YEAR ENDED 31 MARCH 2020**

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# **THE MITIE FOUNDATION**

## **TRUSTEES' ANNUAL REPORT**

### **YEAR ENDED 31 MARCH 2020**

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The directors/trustees present their annual report and audited financial statements of The Mitie Foundation ("the Foundation") for the year ended 31 March 2020. This report and the financial statements have been prepared in accordance with the provisions applicable to small companies entitled to the small companies' exemption and in accordance with the accounting policies set out on pages 12 and 13.

The legal and administrative details set out on page 7 form part of this report. The financial statements comply with the current statutory requirements, the Foundation's memorandum and articles of association and the Statement of Recommended Practice FRS102. The financial statements have been prepared under the historical cost convention, in accordance with applicable accounting standards and the Companies Act 2006.

#### **Structure, governance and management**

The Foundation is a company limited by guarantee and its directors, for the purposes of company law are also trustees for the purposes of charity law and those who served during the year and to date are shown on page 7. For the purposes of this report they will be referred to as trustees.

The Foundation was incorporated on 15 June 2012, registered as a charity on 6 September 2012 and began its activities on 1 April 2013.

On appointment, new trustees sign a model trustee declaration statement, confirming their eligibility and committing them to giving their time and expertise. New trustees are fully briefed on the objectives of the Foundation and their role as trustees. They are also provided with a copy of the Charity Commission Guidance for trustees and a copy of the Foundation's memorandum and articles of association.

Trustees give their time voluntarily and receive no remuneration or other benefits. Trustees are required to disclose all relevant interests and withdraw from decisions where a conflict of interest arises.

There must be a minimum of two trustees but no more than nine. Up to three trustees may be appointed by Mitie Group plc ("Mitie") by way of written notice to the Foundation. All current trustees have been appointed by the decision of trustees.

The trustees are responsible for determining the overall strategy of the Foundation, however they delegated day to day management responsibilities to Tony Brogden-Ward, up to January 2020 and then Jasmine Hudson from then on. Key management personnel are determined to be the trustees and the Head of the Mitie Foundation. As all Foundation staff are seconded to The Mitie Foundation from Mitie Group plc; no staff, including key management personnel are directly paid by The Mitie Foundation. Employment benefits for the seconded Head of The Mitie Foundation, as key management, are determined through internal Mitie Group plc pay review processes.

The trustees have considered the major risks to which the Foundation is exposed. These have been reviewed and systems and procedures have been established to manage those risks.

# **THE MITIE FOUNDATION**

## **TRUSTEES' ANNUAL REPORT**

### **YEAR ENDED 31 MARCH 2020**

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#### **Objectives and activities**

The Foundation's vision is to raise aspirations and unlock people's true potential. The objects of the Foundation, as set out in its articles of association, are broad, allowing the charity to carry on any charitable activity within the law.

Currently the Foundation has three main objectives:

- To enhance employability
- To encourage enterprise
- To inspire young people

#### **Enhancing employability**

Helping people with barriers to employment and social mobility is the core aim of the Foundation. The Foundation works in partnership with JobCentre Plus ("JCP") and others, to deliver employability programmes (Ready2Work and Bridge the Gap) which give people a chance to demonstrate their skills, primarily through on the job work experience.

The Foundation uses its relationship with Mitie businesses, clients and suppliers, as well as other organisations to secure appropriate work placements for candidates and helps them seek employment at the end of the course. On all work programmes, candidates receive coaching and support from the Foundation team, specifically focussing on identifying transferable employability skills and making sure their CVs reflect these. The candidates on the Ready2Work programme also benefit from a pre-employment training week, run by the Foundation team, which is designed to clarify workplace expectations and encourage participants to step outside their comfort zone and to develop confidence and communication skills.

Ready2Work programmes improve social mobility in local communities by supporting people with disabilities, refugees, people with convictions and other groups with specific barriers to employment, and is also available to support Mitie employees' friends and family who may have barriers to employment.

Bridge the Gap is our name for work programmes which are run in collaboration with a client or contract team, but broadly follow the Ready2Work format in delivery style.

#### **Encouraging enterprise**

In line with the ethos of Mitie, the Foundation also aims to encourage enterprise. The Foundation's employer engagement events, run inside 36 prisons throughout the UK, have been recognised by the MOJ as a useful way to improve employment skills and encourage enterprise amongst serving offenders. Following funding for eight 'Business Challenge Days' in prisons, funded by the MOJ, the Foundation joined a collaboration of like-minded organisations and formed a loose association called Mind the Gap, which sought to support offenders into construction-related employment. Mind the Gap was successful in gaining CITB funding for a three-year project, which involves the Foundation delivering 20 'Business Challenge Days' over the three years. These events are designed to introduce prisoners approaching release to potential local employers, or to support entrepreneurial self-employment aspirations.

# **THE MITIE FOUNDATION**

## **TRUSTEES' ANNUAL REPORT**

### **YEAR ENDED 31 MARCH 2020**

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This model has been adapted to create 'Employer Engagement Days' which support people with learning and physical disabilities, mental health issues and other disadvantaged groups, into employment or self-employed enterprise.

#### **Inspiring young people**

The Foundation's objective to inspire young people is supported by the wider Mitie business; the Foundation coordinates volunteering activity in schools, academies and colleges, helping to inspire the next generation to choose a rewarding career. Activities include Business Challenge Days, World of Work, mock interviews, CV advice, careers fairs; many of which are organised by local Education Business Partnerships, Inspiring the Future and Working Knowledge. The events are often linked to the Foundation's enterprise objectives and the Mitie business is encouraged to consider these events as a future-talent spotting opportunity. The Foundation continued to support Mitie Skills Centres, located at six UK schools, which were established by Mitie as a legacy to the late David Telling, by providing materials and other resources.

The Foundation encourages all Mitie staff to sign up to Inspiring the Future, an organisation who broker links between schools and business employees to give career talks, mock interviews and to become school governors.

#### **Foundation Ambassadors**

A network of over 40 Foundation Ambassadors across all Mitie business divisions has been established to help to communicate the Foundation's activities. Many of these ambassadors are also involved in supporting Mitie forums designed to support diversity and inclusion, and have been organised into local networks and effectively act as the Foundation's voice within the businesses, encouraging their work colleagues and in some cases their clients to take part in organised volunteering events.

#### **Public benefit**

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities. In particular the trustees consider how planned activities will contribute to the Foundation's aims and the objectives they have set and have therefore complied with the duty in section 17 of the Charities Act 2011.

Taking into account the Foundation's achievements and beneficiaries as described below, the trustees confirm that due regard has been paid to the public benefit guidance published by the Charity Commission.

#### **Achievements and performance**

Following a restructure of the Foundation, the team were working towards a new Strategy and focus to become more aligned to the Mitie business and its Social Value commitments. This included working closely with Tony Brogden-Ward supporting with the wider Social Value strategy.

Below are examples of activities during FY20, within the Foundation's Core Pillars.

# THE MITIE FOUNDATION

## TRUSTEES' ANNUAL REPORT

### YEAR ENDED 31 MARCH 2020

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#### Enhancing employability

##### Ready2Work

During FY20, 6 Ready2work programmes were delivered in Essex, Huntingdon, Leeds, London, and Manchester. The team are responsible for the development, management, delivery, data collection and analysis of programmes on a day to day basis.

In addition to programme delivery, R2W candidates are offered 1-2-1 support from the team with CV and interview techniques as and when required.

| Date      | Programme    | Offered   | Started   | Completed | Completion % | Secured employment | Employment % |
|-----------|--------------|-----------|-----------|-----------|--------------|--------------------|--------------|
| 2019-2020 | Manc G&G     | 7         | 7         | 5         | 71           | 1                  | 20           |
| 2019-2020 | Essex        | 5         | 5         | 5         | 100          | 1                  | 20           |
| 2019-2020 | Leeds        | 8         | 5         | 5         | 100          | 3                  | 60           |
| 2019-2020 | Essex2       | 6         | 6         | 5         | 83           | 0                  | 0            |
| 2019-2020 | London       | 19        | 18        | 8         | 44           | 0                  | 0            |
| 2019-2020 | Huntingdon   | 6         | 6         | 4         | 33           | 4                  | 67           |
|           | <b>Total</b> | <b>51</b> | <b>47</b> | <b>32</b> | <b>64</b>    | <b>9</b>           | <b>30</b>    |

#### Encouraging enterprise

##### Foston Hall - Supporting gender equality and STEM

HMP Foston Hall is a women's prison in Derbyshire, aiming to reduce re-offending by encouraging rehabilitation. The concept behind this project began when the Mitie Foundation delivered a "Business Challenge Day" to 36 women with convictions and 18 business volunteers. The Governor Andrea Black was so impressed with the women's business plans that she agreed to turn their ideas into reality and create a mini retail park "built by the women for the women".

The long-term aim of the project was to build a mini retail park in the prison to help rehabilitate these women, and to equip them with employment skills that they can use when they are released.

During Foston Halls 'Big Build' week in March 2019 we had over 30 Volunteers from various parts of the Mitie business, as well as companies that we partner with such as Rolls Royce, Wilmott Dixon and Census Group. Volunteers all came along and rolled their sleeves up to take part in this project. Completing the project in July, it was deemed a success with six retail outlets being constructed and safely secured.

# **THE MITIE FOUNDATION**

## **TRUSTEES' ANNUAL REPORT**

### **YEAR ENDED 31 MARCH 2020**

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#### **Community**

Business Challenge Days were delivered for The Foyer Group residents in Kent. Along with volunteers from the Mitie business, residents were given the opportunity to engage with local businesses, to help increase their employability skills.

Following this, a further 10 days were agreed to be delivered in London and surrounding areas in March 20. Due to COVID-19 this was postponed.

#### **Volunteering**

The Foundation manage the volunteering opportunity for Mitie Employees. These opportunities are procured, promoted and managed by The Mitie Foundation. During FY20, 204 days of volunteering were gifted by Mitie Employees to a range of activities across the UK. In March to May the Foundation supported with the essential recruitment on NHS contracts and the temporary hospitals such as Dragon Heart & Headley Court. The team supported with the end to end process, including interview, vetting & onboarding.

We have also developed the Employee Volunteering programme and secured a number of corporate charity partners that we will be supporting.

#### **Financial review**

The Foundation received income of £322,288 from Mitie and £9,602 from external sources. This has enabled it to deliver its activities as outlined in the achievements and performance section below and resulted in a deficit of £8,287 (2019: surplus of £1,076). The trustees consider the results of the Foundation to be satisfactory.

The Foundation's policy is to hold no reserves as the operating costs of the Foundation are budgeted within and paid by Mitie. Funding sources are predominately from Mitie, either in the form of company gift or through donations raised through staff initiatives.

As at 31 March 2020, the unrestricted funds held that also described the free reserves of the charity were £38,200 (2019: £46,487).

#### **Statement about fundraising activity**

Whilst the majority of the funding for the Foundation is provided by Mitie Group plc, some fundraising activity does provide additional financial benefit.

No professional organisation or individual was used to raise funds, and therefore the Foundation has not felt obligated to subscribe to any fundraising standards, schemes or regulations.

We have received no complaints relating to any fundraising activity, and all transactions have passed through our finance team and we do not approach the general public or place undue pressure on people to give money to the Foundation.

# **THE MITIE FOUNDATION**

## **TRUSTEES' ANNUAL REPORT**

### **YEAR ENDED 31 MARCH 2020**

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#### **Future Plans**

Should we go back to some form of normality, the Foundation will be looking to deliver the following:

- 3 x Ready2Work programmes from September to March – Cornwall, Essex and Manchester
- 10 Business Challenge Days for The Foyer group

This is all dependent on restrictions being lifted due to the COVID-19 pandemic.

#### **COVID-19**

The COVID-19 pandemic had an impact on our programmes and delivery for the last month of Q4. Due to lock down restrictions our Ready2Work London placements were either ended two weeks early, or for those willing and able, were completed whilst working from home. COVID-19 also had an impact on opportunities for those candidates to apply and gain employment within Mitie, due to recruitment being frozen.

The Foyer BCD's planned to be delivered in March were also postponed and are yet to be rearranged due to the pandemic.

All face to face delivery was put on hold including planned activity for Q1 in FY21.

#### **Going concern**

The Mitie Foundation is almost entirely financially supported by contributions from Mitie Group plc. Mitie has maintained a strong set of results during COVID-19, so no impact on current or future contributions is anticipated.

The Foundation may benefit from small amounts of Government funding, launched as a result of the impact of COVID-19 on young people, should the Ready2Work programme be deployed within the time period that this funding is available.

The Foundation has an outstanding debt with The Big Issue and repayment has been delayed as a result of the negative financial impact that COVID-19 has had on the social enterprises responsible for repaying this loan. After the year end a payment of £4,000 has been received and this has been reflected in note 8 of the accounts.



# **THE MITIE FOUNDATION**

## **TRUSTEES' ANNUAL REPORT**

### **YEAR ENDED 31 MARCH 2020**

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#### **Trustees' responsibilities statement**

The trustees (who are also directors of The Mitie Foundation for the purposes of company law) are responsible for preparing the Trustees' Report (incorporating the strategic report and directors' report) and the financial statements in accordance with 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 Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure, of the charitable company 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 accounting 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 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. They are also responsible for safeguarding the assets of the charitable company [and the group] and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to make themselves aware of that information.

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

Approved by the Board on 18 January 2021 and signed on its behalf by:

DocuSigned by:  
  
275A2667B5B14D8...  
Rebecca Faulkner

# THE MITIE FOUNDATION

## REFERENCE & ADMINISTRATIVE INFORMATION

YEAR ENDED 31 MARCH 2020

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### Directors/Trustees

|                           |                             |
|---------------------------|-----------------------------|
| Rebecca Faulkner          |                             |
| Mark Jenkins              | Resigned 30 September 2020  |
| Paul A Cooper             | Resigned 6 September 2019   |
| Joanne Davis              | Resigned 2 December 2019    |
| Jasmine Hudson            | Appointed 25 February 2020  |
| Baroness Philippa Couttie | Appointed 18 May 2020       |
| James Gilding             | Appointed 18 May 2020       |
| Pradyumna Pandit          | Appointed 14 September 2020 |

The trustees have delegated day to day management of the charity to Tony Brogden-Ward, Head of Social Value and Responsible Business with managerial oversight of the Mitie Foundation until January 2020 after which Jasmine Hudson has been delegated this responsibility.

### Secretary

Mitie Company Secretarial Services Limited

### Registered office

Level 12 The Shard,  
32 London Bridge Street,  
London,  
England,  
SE1 9SG

**Company number** 08107587

**Charity number** 1148858

### Bankers

Lloyds  
55 Corn Street  
Bristol

### Solicitors

Osborne Clarke  
2 Temple Back East  
Temple Quay  
Bristol

### Independent Examiner

Burton Sweet  
The Clock Tower  
5 Farleigh Court  
Old Weston Road  
Flax Burton  
Bristol BS48 1UR

**THE MITIE FOUNDATION**  
**INDEPENDENT EXAMINER'S REPORT**  
**YEAR ENDED 31 MARCH 2020**

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**Independent examiner's report to the trustees of The Mitie Foundation ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31<sup>ST</sup> March 2020.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

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

**Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

DocuSigned by:  
  
Neil Kingston FCA  
Burton Sweet Chartered Accountants  
The Clock Tower  
5 Farleigh Court  
Old Weston Road  
Flax Bourton  
Bristol BS48 1UR

Date: 18 January 2021

**THE MITIE FOUNDATION****STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)****YEAR ENDED 31 MARCH 2020**

|   |             | <b>Total Funds<br/>2020<br/>£</b> | <b>Total Funds<br/>2019<br/>£</b> |
|---|-------------|-----------------------------------|-----------------------------------|
| <b>Income from:</b>                                       | <b>Note</b> |                                   |                                   |
| Donations   | <b>2</b>    | 331,890                           | 477,081                           |
| <b>Total income</b>                                       |             | <u>331,890</u>                    | <u>477,081</u>                    |
| <b>Expenditure on:</b>                                    |             |                                   |                                   |
| Charitable activities                                     | <b>3</b>    | 340,177                           | 476,005                           |
| <b>Total expenditure</b>                                  |             | <u>340,177</u>                    | <u>476,005</u>                    |
| <b>Net income/(expenditure) and net movement in funds</b> | <b>5</b>    | (8,287)                           | 1,076                             |
| <b>Total funds at start of year</b>                       | <b>10</b>   | 46,487                            | 45,411                            |
| <b>Total funds at end of year</b>                         | <b>10</b>   | <u>38,200</u>                     | <u>46,487</u>                     |

There are no recognised gains or losses for the current or preceding year other than as stated in the Statement of Financial Activities.

The results for the period are wholly attributable to the continuing operations of the Foundation.

All movement in funds in the year and prior year are in unrestricted funds.

**The notes on pages 13 to 19 form part of these financial statements**

**THE MITIE FOUNDATION****BALANCE SHEET****AS AT 31 MARCH 2020****Company number: 08107587**

|  | <b>Note</b> | <b>2020<br/>£</b>    | <b>2019<br/>£</b>    |
|--|-------------|----------------------|----------------------|
| <b>Fixed assets</b>                                |             |                      |                      |
| Programme related investments                      | <b>8</b>    | 4,000                | 18,654               |
|  |             | <u>4,000</u>         | <u>18,654</u>        |
| <b>Current assets</b>                              |             |                      |                      |
| Cash at bank and in hand                           |             | 37,514               | 31,169               |
|  |             | <u>37,514</u>        | <u>31,169</u>        |
| <b>Liabilities</b>                                 |             |                      |                      |
| Creditors : amounts falling<br>due within one year | <b>9</b>    | (3,314)              | (3,336)              |
| <b>Net current assets</b>                          |             | <u>34,200</u>        | <u>27,833</u>        |
| <b>Net assets</b>                                  |             | <u><u>38,200</u></u> | <u><u>46,487</u></u> |
| <b>Funds of the charity</b>                        |             |                      |                      |
| Unrestricted funds                                 | <b>11</b>   | 38,200               | 46,487               |
| <b>Total funds</b>                                 |             | <u><u>38,200</u></u> | <u><u>46,487</u></u> |


For the year ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities:**

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements of The Mitie Foundation were approved by the Board of Trustees on 18 January 2021 and are signed on their behalf by:

DocuSigned by:  
  
 275A2667B5B14D8...  
 Rebecca Faulkner  
 Trustee

**The notes on pages 13 to 19 form part of these financial statements**

**THE MITIE FOUNDATION**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 31 MARCH 2020**

|  |                  | <b>2020</b>         | <b>2019</b>         |
|--|------------------|---------------------|---------------------|
|  |                  | <b>£</b>            | <b>£</b>            |
| <b>Net cash inflow from operating activities</b> | <b>A &amp; B</b> | <u><u>1,018</u></u> | <u><u>7,472</u></u> |
| <b>and net cash inflow for the year</b>          |                  |                     |                     |

**A Reconciliation of net movement in funds to net cash inflow from operating activities**

|  | <b>2020</b>         | <b>2019</b>         |
|--|---------------------|---------------------|
|  | <b>£</b>            | <b>£</b>            |
| Statement of Financial Activities: Net movement in funds   | (8,287)             | 1,076               |
| Increase in creditors: current liabilities                 | (22)                | (6,660)             |
| Decrease / (increase) in debtors                           | -                   | 5,611               |
| Programme related investment repayments                    | -                   | 7,445               |
| Programme related investment impairment provision          | 9,327               |                     |
| <b>Net cash (outflow)/inflow from operating activities</b> | <u><u>1,018</u></u> | <u><u>7,472</u></u> |

**B Analysis of changes in cash during the year**

|                          | <b>Note</b> | <b>2020</b>   | <b>2019</b>   | <b>Change</b> |
|--------------------------|-------------|---------------|---------------|---------------|
|                          |             | <b>£</b>      | <b>£</b>      | <b>£</b>      |
| Cash at bank and in hand |             | <u>37,514</u> | <u>31,169</u> | <u>6,345</u>  |
|                          |             | <b>2019</b>   | <b>2018</b>   | <b>Change</b> |
|                          |             | <b>£</b>      | <b>£</b>      | <b>£</b>      |
| Cash at bank and in hand |             | <u>31,169</u> | <u>23,697</u> | <u>7,472</u>  |

**C Cashflow Restrictions**

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

**The notes on pages 13 to 19 form part of these financial statements**

# THE MITIE FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2020

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#### 1 Accounting policies

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

The financial statements of the charitable company have been prepared under the historical cost convention, Financial Reporting Standard 102 (FRS102) and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP FRS102), applicable United Kingdom accounting standards and law.

As more fully detailed in the trustees' report, there are no material uncertainties affecting the ability of the charity to continue as a going concern and the financial statements have therefore been prepared on the going concern basis. The charity is a public benefit entity as defined under FRS102.

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year.

##### **Income**

Income is included when receivable. Income from tax that can be reclaimed on donations is included at the same time as the gift to which it relates. Income comprises of:

##### *Donations*

Donations are included in the Statement of Financial Activities when the charity is legally entitled to the income, when the amount can be quantified with reasonable accuracy and receipt is probable.

Donated services and facilities represents the estimated financial cost borne by Mitie in providing seconded staff and other management and administrative services. This value represents the amount that the trustees would pay on the open market for the services and facilities that would

##### **Expenditure**

Expenditure is included in the Statement of Financial Activities on an accruals basis when incurred and includes attributable VAT which cannot be recovered.

Expenditure comprise of the following:

Charitable expenditure - being those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries.

Grant funding of activities - included within charitable expenditure, these are awarded to further the purposes of the charity.

Grants awarded are treated as expenditure and a liability in the accounts as soon as they become legal or constructive obligations. In the case of multi-year grant awards, the funding for all years is immediately recognised unless there are conditions which need to be met by the recipient to enable the release of subsequent years' funding.

Support costs - being costs of an indirect nature necessary to support the activities of the charitable company. These have been apportioned to the Foundation's charitable activities on the basis of direct costs incurred.

Governance costs - being costs associated with meeting the constitutional and statutory requirements of the charity. These costs have been included within support costs.

**THE MITIE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

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**1 Accounting policies (*continued*)**

**Programme related investments**

Programme related investments are initially included on the balance sheet at cost. The carrying value is reviewed for impairment on an annual basis.

**Fund accounting**

Unrestricted funds are expendable at the discretion of the Trustees, in the furtherance of the

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor. Any donations received by the Mitie Foundation which have specified a charitable cause have been treated as restricted and may only be paid to the charities specified.

**Debtors**

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

**Cash and cash equivalents**

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

**Creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any discounts due.

**2 Income from: Donations**

|   | <b>Total Funds<br/>2020<br/>£</b> | <b>Total Funds<br/>2019<br/>£</b> |
|---|-----------------------------------|-----------------------------------|
| Donated service and facilities from Mitie | 322,288                           | 357,492                           |
| General Donations                         | 9,602                             | 119,589                           |
|   | <u>331,890</u>                    | <u>477,081</u>                    |

All donation received in the prior year were unrestricted.



**THE MITIE FOUNDATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

**3 Expenditure on: Charitable activities**

| <b>Current year</b>     | <b>Direct Costs</b> | <b>Grant funding of activities</b> | <b>Support Costs (Note 4)</b> | <b>Total Funds 2020</b> |
|-------------------------|---------------------|------------------------------------|-------------------------------|-------------------------|
| <b>31 March 2020</b>    | <b>£</b>            | <b>£</b>                           | <b>£</b>                      | <b>£</b>                |
| Enhancing employability | 2,880               | 17,621                             | 302,599                       | 323,100                 |
| Inspiring young people  | 161                 | -                                  | 16,916                        | 17,077                  |
|                         | <u>3,041</u>        | <u>17,621</u>                      | <u>319,515</u>                | <u>340,177</u>          |

| <b>Prior year</b>                        | <b>Direct Costs</b> | <b>Grant funding of activities</b> | <b>Support Costs (Note 4)</b> | <b>Total Funds 2019</b> |
|--|---------------------|------------------------------------|-------------------------------|-------------------------|
| <b>31 March 2019</b>                     | <b>£</b>            | <b>£</b>                           | <b>£</b>                      | <b>£</b>                |
| Enhancing employability                  | 11,973              | 4,890                              | 43,507                        | 60,370                  |
| Inspiring young people                   | 9,437               | -                                  | 34,292                        | 43,729                  |
| Encouraging enterprise - National        | -                   | -                                  | -                             | -                       |
| Offenders Management Service             | 3,163               | -                                  | 11,494                        | 14,657                  |
| Encouraging enterprise - Social enterpri | 18,938              | 600                                | 68,816                        | 88,354                  |
| Construction Industry Training Board     | 8,866               | -                                  | 32,217                        | 41,083                  |
| Charity Ball                             | 12,148              | 23,052                             | 44,143                        | 79,343                  |
| Think Differently                        | 32,041              | -                                  | 116,428                       | 148,469                 |
|  | <u>96,566</u>       | <u>28,542</u>                      | <u>350,897</u>                | <u>476,005</u>          |

**4 Support costs**

Support costs, included in note 3, is as follows:

|                        | <b>Total 2020</b> | <b>Total 2019</b> |
|------------------------|-------------------|-------------------|
|                        | <b>£</b>          | <b>£</b>          |
| Employee Costs         | 257,217           | 295,061           |
| Travel and subsistence | 38,325            | 24,856            |
| IT costs               | -                 | 703               |
| Other support costs    | 20,722            | 26,596            |
| Governance costs       | 3,251             | 3,681             |
|                        | <u>319,515</u>    | <u>350,897</u>    |

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**5 Net income/(expenditure) for the year**

This is stated after charging:

|                                       | <b>2020</b> | 2019  |
|---------------------------------------|-------------|-------|
|                                       | <b>£</b>    | £     |
| Independent Examiner's remuneration   | 3,251       | 3,336 |
| Prior year over/under accrual of fees | -           | 345   |

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No Trustee received any remuneration or travel expenses in respect of their services during the year (2019: None).

Aggregate donations from Trustees, key management personnel, and other related parties was £nil

**6 Staff costs and numbers**

The Foundation does not directly employ any staff, however on average, three Mitie Group Plc employees were seconded to the Foundation during the year (2019: four).

Staff costs relating to these seconded staff were as follows:

|                       | <b>2020</b>    | 2019           |
|-----------------------|----------------|----------------|
|                       | <b>£</b>       | £              |
| Wages & salaries      | 232,813        | 240,185        |
| Social security costs | 13,847         | 29,241         |
| Pension contributions | 9,991          | 25,386         |
|                       | <b>256,651</b> | <b>294,812</b> |

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The total employment benefits received by trustees and seconded key management personnel for their services to the charity were £100,488 (2019: £91,631) in the year.

**Highest paid employees**

The following number of employees earned in excess of £60,000 in the period:

|                     | <b>2020</b> | 2019 |
|---------------------|-------------|------|
|                     | <b>£</b>    | £    |
| Total remuneration: |             |      |
| £60,000 - £69,999   | 1           | 1    |
| £70,000 - £79,999   | 1           | 1    |

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**7 Taxation**

The charity is exempt from corporation tax on its charitable activities.

**8 Programme related investments**

|                          | <b>2020</b>         | <b>2019</b>          |
|--------------------------|---------------------|----------------------|
|                          | <b>£</b>            | <b>£</b>             |
| At start of year         | 18,654              | 26,099               |
| Repayments               | -                   | (7,445)              |
| Provision for impairment | (14,654)            | -                    |
|                          | <u><b>4,000</b></u> | <u><b>18,654</b></u> |

The Investments balance represents loans made as part of the Big Issue Invest Tech for Good challenge

Repayment has been delayed as a result of the negative financial impact that COVID-19 has had on the social enterprises responsible for repaying this loan. The agreement allows for repayments to cease completely should the remaining social enterprises cease trading, however after the year end a payment of £4,000 was received and therefore a provision for impairment has been recognised to reflect this outcome.

**9 Creditors: amounts falling due within one year**

|                              | <b>2020</b>         | <b>2019</b>         |
|------------------------------|---------------------|---------------------|
|                              | <b>£</b>            | <b>£</b>            |
| Trade creditors              | 63                  | -                   |
| Accruals and deferred income | 3,251               | 3,336               |
|                              | <u><b>3,314</b></u> | <u><b>3,336</b></u> |

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**10 Movement in funds**

**For the year ended 31 March 2020**

|                           | <b>At 1 Jan<br/>2020<br/>£</b> | <b>Income<br/>£</b> | <b>Expenditure<br/>£</b> | <b>At 31 Dec<br/>2020<br/>£</b> |
|---------------------------|--------------------------------|---------------------|--------------------------|---------------------------------|
| <b>Unrestricted funds</b> |                                |                     |                          |                                 |
| General funds             | 46,487                         | 331,890             | (340,177)                | 38,200                          |
|                           | <u>46,487</u>                  | <u>331,890</u>      | <u>(340,177)</u>         | <u>38,200</u>                   |
| <b>Total funds</b>        | <u>46,487</u>                  | <u>331,890</u>      | <u>(340,177)</u>         | <u>38,200</u>                   |

**For the year ended 31 March 2019**

|                           | <b>At 1 Jan<br/>2019<br/>£</b> | <b>Income<br/>£</b> | <b>Expenditure<br/>£</b> | <b>At 31 Dec<br/>2019<br/>£</b> |
|---------------------------|--------------------------------|---------------------|--------------------------|---------------------------------|
| <b>Unrestricted funds</b> |                                |                     |                          |                                 |
| General funds             | 45,411                         | 477,081             | (476,005)                | 46,487                          |
|                           | <u>45,411</u>                  | <u>477,081</u>      | <u>(476,005)</u>         | <u>46,487</u>                   |
| <b>Total funds</b>        | <u>45,411</u>                  | <u>477,081</u>      | <u>(476,005)</u>         | <u>46,487</u>                   |

**11 Analysis of net assets between funds**

|                            | <b>Unrestricted<br/>General<br/>Funds<br/>£</b> | <b>Total<br/>£</b> |
|----------------------------|---|--------------------|
| <b>As at 31 March 2020</b> |   |                    |
| Other net assets           | 38,200  | 38,200             |
|                            | <u>38,200</u>                                   | <u>38,200</u>      |

|                            | <b>Unrestricted<br/>General<br/>Funds<br/>£</b> | <b>Total<br/>£</b> |
|----------------------------|---|--------------------|
| <b>As at 31 March 2019</b> |   |                    |
| Other net assets           | 46,487  | 46,487             |
|                            | <u>46,487</u>                                   | <u>46,487</u>      |

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**12 Related party transactions**

The Foundation has a related party relationship with Mitie Group Plc ("Mitie") as Mitie has the power to appoint up to three board members to the Foundation. Additionally, five of the five (2019: four of the five) trustees active in the period to the date of signing the accounts were either employees or directors of Mitie in the year; Mitie are the major funders of Foundation, and the Foundation second their operational staff from Mitie. During the year the Foundation received donations of £nil (2019: £nil) and gifts in kind of £322,288 (2019: £357,492) from Mitie. At the end of the period £nil (2019: £nil) was due from Mitie and £nil (2019: £nil) was held within creditors as an amount accrued to Mitie.

**13 Capital commitments**

The Foundation had no capital commitments as at 31 March 2020 (2019: None)

**14 Liability of members**

The Mitie Foundation is a company limited by guarantee. In the event of winding up, the maximum amount guaranteed to be contributed by each member is £1.