

**PRIVATE EQUITY FOUNDATION  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT AND ACCOUNTS  
FOR THE YEAR ENDED  
31 DECEMBER 2014**



Charity Registration No. 1116139

Company Registration No. 5882818 (England and Wales)

## **Reference and administrative details**

### **Trustees**

Johannes Huth (Chairman)  
Charlie Green  
Carl Parker  
Karl Peterson  
Ramez Sousou (resigned 25<sup>th</sup> February 2014)  
Nikos Stathopoulos

**Chief Executive:** Daniela Barone-Soares

**Principal Office:** 183 Eversholt Street  
London  
NW1 1BU

**Registered Office:** 5<sup>th</sup> Floor  
6 St Andrew Street  
London  
EC4A 3AE

**Auditor:** KPMG LLP  
15 Canada Square  
Canary Wharf  
London  
E14 5GL

**Primary Banker:** Royal Bank of Scotland  
London Drummonds Branch  
49 Charing Cross Road  
London  
SW1A 2DX

**Primary Solicitor:** Clifford Chance LLP  
10 Upper Bank Street  
London  
E14 5JJ

PRIVATE EQUITY FOUNDATION  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

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PRIVATE EQUITY FOUNDATION  
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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

**1.) Introduction**

The trustees present their report along with the financial statements for the Private Equity Foundation ("PEF" or "the charity") for the year ended 31 December 2014. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and are in compliance with the charity's memorandum and articles of association, the Companies Act 2006, the Charities Act 2011 and the Statement of Recommended Practice: 'Accounting and Reporting by Charities' (2005).

PEF is a private company, limited by guarantee, which was incorporated on 20 July 2006 in England and Wales with registered number 05882818 and is a registered charity with registered number 1116139.

PEF's registered office is 5<sup>th</sup> Floor, 6 St Andrew Street, London, EC4A 3AE and its principle place of business is 183 Eversholt Street Terrace, London, NW1 1BU.

PEF legally merged with Impetus Trust on 4 July 2013, creating Impetus – The Private Equity Foundation (Impetus-PEF). As of this date, the activities, assets and liabilities were transferred from PEF to Impetus-PEF. Impetus-PEF was incorporated on 25<sup>th</sup> March 2013 in England and Wales with registered number 8460519 and is a registered charity with registration number 1152262.

Since the merger date, PEF has been dormant in that it has not undertaken activities nor held any assets in the year ending 31 December 2014. These financial statements have been prepared on a basis other than going concern in light of this and the Trustees' intention to dissolve and deregister the charity in the near future.

The comparative figures for the year ending 31 December 2013 represent the PEF charity only. PEF's trading subsidiaries which were transferred to Impetus-PEF upon the merger date, being PEF Trading Limited and ThinkForward Social Impact (1) Limited, are not consolidated within these accounts. Details of both entities are disclosed within the notes to the accounts. Post-merger, these entities have been consolidated into the Impetus-PEF group financial statements.

During the period presented within these financial statement the day to day running of the charity was delegated by the trustees to the CEO and the management team.

PEF's lawyers are Clifford Chance LLP and the audit is carried out by KPMG LLP. The charity's banking facilities are provided by Royal Bank of Scotland.

**2.) Structure, management and governance**

The objects of the charity, as stated in its governing documents, are to promote the efficiency and effectiveness of the charities supported by PEF and to promote the effective use of resources for charitable purposes. The management and governance structures in place are designed to enable this to happen.

Trustees are appointed and removed by a majority of members and are historically appointed from donor firms from the private equity industry. New trustees are given a full induction to the organisation. An induction pack is given to each trustee and the Impetus-PEF CEO holds a one-to-one meeting to ensure that the trustee is fully versed in the history and procedures of PEF.

The Board of trustees met regularly during the year as trustees of parent charity, Impetus-PEF, to oversee the group and subsidiaries' activities. This included strategy and areas of activity in grant-making, investment, reserves and risk management policies, performance, budgets, financial plans and fundraising targets.

On a regular basis, trustees are provided with information about the issues concerning children and young people and those concerning charities in general. They are active participants in the strategic work of the charities that are supported by Impetus-PEF. This engagement and information flow ensures that board decisions are well informed and appropriate.

Impetus-PEF operated the following committee structure in year:

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

- Finance & Audit Committee: responsible for supervising financial controls and management;
- Development Committee: develops fundraising strategy, explores new fundraising ideas and contact sharing in order to grow the donor base;
- Investment Committee: monitors the performance of portfolio investments and organisations, and undertakes new investment search process;
- Governance Committee: has a strategic role in defining the role of the Board, directs the trustee recruitment process and trustee responsibilities, and overseeing staff remuneration and benefits policies.

Each committee is chaired by a trustee and has at least one other trustee in it. This ensures that the board retains control over the committees and that information flows to the full board as appropriate.

The trustees regularly assess and monitor the risks to which the group and subsidiaries are exposed and ensure that appropriate systems and procedures are in place to mitigate these risks. The trustees consider the key risks that faced Impetus-PEF, to be that of maintaining a compelling case for support to new and existing donors; further strengthening the organisation's staffing and technology infrastructure; and identifying a suitable pipeline of charities for investment.

#### **3.) Objectives and activities**

Impetus-PEF has continued the focus on enabling disadvantaged children and young people to reach their full potential. By identifying the most effective interventions and supporting the charities to deliver them more efficiently and effectively, more young people can reach their potential. Matching the business skills of the private equity community to our portfolio charities enables them to achieve scale and become more efficient and effective in their work.

Our mission is to empower children and young people to achieve their full potential and to enable the private equity industry to reach its potential and give something back to the community.

On an annual basis, the trustees formulate objectives against which the management team and the portfolio of charities are measured. These include fundraising targets, overheads budgets and strategic decisions over investment policy.

#### **Grant making policies**

Impetus-PEF continues to build and maintain a small but powerful portfolio of UK charities to provide a range of interventions to help disadvantaged children and young people to fulfil their potential.

Although the specific selection criteria for portfolio charities may change from year to year, grantee charities are selected using the following criteria:

- The potential for the intervention to contribute to solving the problems of children and young people;
- The ability of the charity's leadership and the organisation to develop their work to its full potential;
- The alignment of the potential grantee to Impetus-PEF's mission, funding, support resources and overall strategy.

#### **4.) Achievements, performance and Financial Review**

##### **Review of charitable activities and finances**

PEF legally merged with Impetus Trust on 4 July 2013, creating Impetus – The Private Equity Foundation (Impetus-PEF). As of this date, the activities, assets and liabilities were transferred from PEF to Impetus-PEF. Following the merger, PEF has not undertaken further activities nor held any assets.

##### **Reserves policy**

Following the transfer of assets and liabilities to Impetus-PEF, PEF holds nil reserves as at 31 December 2014.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014**

**5.) Plans for the future**

On 4<sup>th</sup> July 2013 PEF completed its merger with Impetus Trust, harnessing the potential of private equity techniques and pro bono business expertise alongside grant funding to support best-in-class charities to become more effective, sustainable and to scale up their impact.

Impetus-PEF will continue to engage the private equity community in a collective philanthropic effort. It will encourage its members and supporters to do more than write a cheque: it will provide opportunities to see at first hand the work that the Charity enables and it will welcome and encourage volunteer and pro bono contributions to engage with the charity and its portfolio.

**7.) Public benefit**

PEF's and Impetus-PEF's charitable objects set out its aims to promote the effectiveness and efficiency of charities and to promote the effective use of charitable resources.

By promoting the effectiveness of charities and the effective use of resources by charities, we enable, through our mission focus on NEETs, disadvantaged children and young people to reach their full potential. The Trustees are confident that the activities set out herein satisfy the legal requirements of public benefit.

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

**Statement of trustees' responsibilities in respect of the Annual Report and the Financial Statements**

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

Company law requires the trustees (who are the directors for the purposes of company law) to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that year.

In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

During 2013 the Trustees decided to transfer the business activities of out of PEF and into Impetus-PEF. The transfer of the business, staff and net assets occurred on the 4th July 2013. As the Trustees do not intend to acquire a replacement trade following the transfer of assets, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 1.

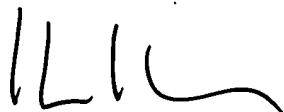
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In the case of each trustee in office at the date the Trustees' Report was approved:

- a) so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- b) he has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

For and on behalf of the Board of Trustees



Johannes Huth  
Trustee

Dated: 2 July 2015

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIVATE EQUITY FOUNDATION**

We have audited the financial statements of Private Equity Foundation for the year ended 31st December 2014 set out on pages 10 to 21. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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 its members as a body, for our audit work, for this report, or for the opinions we have formed

### **Respective responsibilities of Trustees and auditor:**

As explained more fully in the Statement of Trustees' Responsibilities 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.

Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

### **Emphasis of matter – non-going concern basis of preparation**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reasons set out in that note.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or



- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Trustees' Annual Report.



Ian Pennington (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants  
15 Canada Square,  
Canary Wharf,  
London,  
E14 5GL

Date: 8 July 2015

**PRIVATE EQUITY FOUNDATION**  
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**CHARITY STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE**  
**ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2014**

		Unrestricted funds	Restricted funds	Total 2014	Total 2013
	Notes	£	£	£	£
<b><u>Incoming resources from generated funds</u></b>					
Voluntary income	2	-	-	-	1,085,942
Activities for generating funds	4	-	-	-	723,718
Investment income	3	-	-	-	8,193
		-	-	-	1,817,853
Other incoming resources	5	-	-	-	42,192
<b>Total incoming resources</b>		-	-	-	1,860,045
<b><u>Resources expended</u></b>					
<b>Costs of generating funds</b>					
Fundraising	6	-	-	-	272,700
<b>Charitable activities</b>					
Enabling children and young people to reach their full potential	6,7,8	-	-	-	1,068,964
<b>Total charitable expenditure</b>		-	-	-	1,341,664
Governance costs	9	-	-	-	483,506
<b>Total resources expended</b>		-	-	-	1,825,170
<b>Net income/(expenditure) for the Period/ Net movement in funds before transfers</b>		-	-	-	34,875
Transfers between funds	19	-	-	-	-
Fund balances at 1 January	19	-	-	-	7,855,401
<b>Fund balances at 30 June</b>					
Transfer to Impetus-PEF (Charity No 1152262) on 4 July 2013		-	-	-	(7,890,276)
<b>Fund balances at 31 December</b>		-	-	-	-

All figures in the SOFA for the year ended 31 December 2014 relate to discontinued operations. Please see disclosures at note 22.

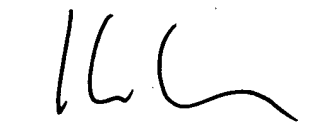
There were no recognised gains or losses in the current financial period other than those contained within the Statement of Financial Activities and, accordingly, a Statement of Recognised Gains and Losses has not been presented. These accounts have been prepared using historic cost basis.

The notes on pages 12 to 21 form an integral part of these Financial statements.

PRIVATE EQUITY FOUNDATION  
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BALANCE SHEETS  
FOR THE YEAR ENDED 31 DECEMBER 2014

		Charity	
		31 December 2014	31 December 2013
	Notes	£	£
<b>Fixed Assets</b>			
Tangible assets	14	-	-
Investments	15	-	-
		-	-
<b>Current assets</b>			
Debtors	16	-	-
Cash in bank and in hand		-	-
		-	-
<b>Creditors: amounts falling due within one year</b>	17	-	-
		-	-
<b>Net current assets</b>		-	-
		-	-
<b>Total assets less current liabilities</b>		-	-
		-	-
<b>Creditors: amounts falling due after more than one year</b>	18	-	-
		-	-
<b>Net assets</b>		-	-
		-	-
Restricted funds	19,20	-	-
Unrestricted funds	19,20	-	-
Designated funds	19,20	-	-
Funds		-	-
		-	-
Funds attributable to minority interests	12	-	-
		-	-
		-	-

The financial statements for Private Equity Foundation, Company registration number 5882818, Charity registration number 1116139 for the year ended 31 December 2014 were approved by the Board on 2 July 2015.



Johannes Huth  
Trustee



Carl Parker  
Trustee

The notes on pages 12 to 21 form an integral part of these Financial statements.

PRIVATE EQUITY FOUNDATION  
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**1 Accounting policies**

**1.1 Basis of preparation**

The accounts have been prepared in accordance with applicable accounting standards in the United Kingdom, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

The accounts have been prepared under the historical cost convention. In previous years, the financial statements have been prepared on a going concern basis. However, during 2013 the Trustees took the decision to cease trading following the transfer of the company's business activities into Impetus-PEF as part of a merger arrangement with Impetus trust. As they do not intend to acquire a replacement trade, the Trustees have not prepared the financial statements on a going concern basis for the year ending 31 December 2014, nor the previous year ending 31 December 2013. No adjustments were necessary to the amounts at which the remaining net assets are included in these financial statements. Exemption has been taken from preparing a cashflow statement on the grounds that PEF qualifies as a small company.

Private Equity Foundation merged with Impetus Trust on 4 July 2013, forming a new charity named Impetus - The Private Equity Foundation. PEF's assets and liabilities were transferred at the merger date.

The comparative financials for PEF Trading Limited, a wholly owned subsidiary which was transferred to Impetus-PEF upon merger date, are disclosed in the notes to the accounts. Post merger, PEF Trading Limited is now consolidated within the Impetus-PEF group financial statements.

The comparative financials for Think Forward Social Impact Limited, a partly owned subsidiary which was transferred to Impetus-PEF upon merger date, are disclosed in the notes to the accounts. Post merger, Think Forward Social Impact Limited is now consolidated within the Impetus-PEF group financial statements, with minority interests identified.

**1.2 Incoming resources**

Income has been recognised gross on the basis of entitlement, certainty and measurement.

Donations, legacies and other forms of voluntary income, including donated goods and services, are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

Gifts in kind are recognised as both income and expenditure in the year to which they relate. Gifts in kind represent the commercial value of goods and services freely donated to the charity.

**1.3 Resources expended**

Expenditure is recognised on an accruals basis, inclusive of value added tax.

Costs of generating funds are those costs incurred in attracting voluntary income, in particular grant funding and the costs of maintaining the charity's profile within the sector.

Grants payable are recognised at the time the charity becomes committed to make a grant. Where grant contracts include conditions that must be satisfied prior to future tranches being released, the grant expense is recognised on the date that these conditions have been satisfied.

Grantees are monitored and evaluated over the duration of the grant agreement to ensure compliance with the conditions stipulated within the grant agreement.

Support costs are allocated against UK grants, European grants and research grants based on the time spent working on each category which is estimated by the respective level of grant funding.

Governance costs include those costs incurred in the governance of the charity's assets and are primarily associated with the constitutional and statutory requirements. All legal fees are received gratis and valued at the market rate.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Assets with a value below £500 are not capitalised. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Office equipment	25% straight line
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**1.5 Accumulated funds**

Unrestricted funds are general funds that are available for the use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds comprise funds that are subject to specific conditions imposed by the donor on how those funds can be spent.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

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**1.6 Foreign Currency**

Transactions in foreign currencies are translated into sterling at the rates of exchange current at the date of the transaction. Foreign currency monetary assets and liabilities in the balance sheet are translated into sterling at the rates of exchange ruling at the end of the year. Resulting exchange gains and losses are taken to the statement of financial activities.

**1.7 Taxation**

Private Equity Foundation is exempt from taxation under Part 10 ITA 2008, provided the income is used for the charitable purposes of Private Equity Foundation.

**1.8 Pension contributions**

Pension contributions are made by PEF on behalf of eligible employees and are paid into personal pension schemes as nominated by the employee and contributions pass through the SOFA as incurred.

**2 Voluntary income**

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Donations and gifts	-	-	-	806,017
Services in kind	-	-	-	279,925
	-	-	-	1,085,942

**3 Investment income**

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Interest receivable	-	-	-	8,193

**4 Activities for generating funds**

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Fundraising events	-	-	-	723,718

**5 Other incoming resources (Charity only)**

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Other income	-	-	-	42,192

Other income consists of monies receivable from PEF Trading Limited, see note 11.

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**6 Total resources expended**

	Grant funding £	Activities undertaken directly £	Support costs £	<b>Total 2014 £</b>	<b>Total 2013 £</b>
<b>Costs of generating funds</b>					
Fundraising and publicity	-	-	-	-	272,700
<b>Charitable activities</b>					
<b>Grant funding</b>					
UK organisations	-	-	-	-	833,768
European organisations	-	-	-	-	49,635
Research organisations	-	-	-	-	66,521
Charitable programme costs	-	-	-	-	119,040
Other programme costs *	-	-	-	-	331,795
<b>Total charitable activities</b>	-	-	-	-	1,400,759
<b>Governance costs</b>	-	-	-	-	483,506
<b>Total resources expended</b>	-	-	-	-	2,156,965

\* Costs incurred within ThinkForward Social Impact (1) Limited and PEF Trading Limited, excluding group transactions. See notes 11 and 12 for detail. Costs are incurred in connection with the ThinkForward programme.

Total resources expended only for the Charity total £0 (2013: £1,825,170) being the costs above excluding Other programme costs of £0 (2013: £331,795) attributable to trading subsidiaries as noted above.

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**7 Grants payable in the Period**

	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
UK organisations	-	-	-	565,938
European organisations	-	-	-	29,973
Research organisations	-	-	-	40,223
Charitable programme costs	-	-	-	119,040
Other programme costs	-	-	-	331,795
	-	-	-	1,086,969
Support costs	-	-	-	313,790
Grants payable including support costs	-	-	-	1,400,759

**Grants to UK organisations comprised:**

Community Links	-	-	-	-
Fairbridge	-	-	-	-
Place2Be	-	-	-	279,500
School-Home Support	-	-	-	120,000
Skill Force	-	-	-	37,000
Tomorrow's People	-	-	-	33,400
Tomorrow's People (ThinkForward)	-	-	-	171,953
ThinkForward *	-	-	-	(210,915)
Workingrite	-	-	-	135,000
	-	-	-	565,938

**Grants to European organisations comprised:**

Big Brother Big Sister, Deutschland	-	-	-	-
Bundesnetzwerk (HHM)	-	-	-	29,973
	-	-	-	29,973

In line with accounting policy, multi-year grants have been recognised once the specific conditions attached to payment tranches have been satisfied.

- \* This adjustment relates to the release of a grant creditor recognised in the prior year. These monies remain committed to the ThinkForward programme but no longer represent a third party creditor.

**Grants to research organisations comprised:**

Conference	-	-	-	12,564
Luke's World	-	-	-	-
Work Foundation - Bottom 1 million	-	-	-	-
Work Foundation - Bespoke NEETs	-	-	-	-
Work Foundation - Missing million	-	-	-	12,383
Young Foundation - Social Investment	-	-	-	15,276
	-	-	-	40,223

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**8 Support costs**

	UK £	Europe £	Research £	Total 2014 £	Total 2013 £
Staff costs	-	-	-	-	250,941
Depreciation	-	-	-	-	15,548
Consultancy fees	-	-	-	-	-
Property	-	-	-	-	30,459
Administration costs	-	-	-	-	16,249
Travel and subsistence	-	-	-	-	4,511
Sundry other	-	-	-	-	(3,918)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>313,790</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>313,790</u>
			Unrestricted funds	-	313,790
			Restricted funds	-	-
				<u>-</u>	<u>313,790</u>

Support costs are allocated based on the estimated time spent which is based upon the level of grant funding for UK, Europe and Research. Support costs which directly relate to a specific category are allocated accordingly.

**9 Governance costs**

	2014 £	2013 £
Audit services (services in kind)	-	10,000
Legal services (services in kind)	-	269,925
Merger integration costs	-	203,581
	<u>-</u>	<u>483,506</u>

**10 Trustees**

None of the trustees (or any persons connected with them) received any remuneration during the year, nor any expenses. Impetus-PEF provides Directors and Officers insurance which covers the Trustees against any personal liability at a cost of £3,450 (2013: £4,240).



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**11 Investment in PEF Trading Limited**

The investment in PEF Trading Limited (PEFTL) represents the whole of the issued ordinary share capital of a company incorporated in England & Wales on 13 February 2012.

PEF's investment in PEFTL was transferred to Impetus - The Private Equity Foundation as at the merger date.

	Period to 4 Jul 2013 £
Turnover	44,685
Cost of sales	(42,192)
Administrative expenses	(357)
Donated to PEF under Gift Aid	
Movement in shareholders funds	<u>2,136</u>
Note that turnover and cost of sales are the result of transactions with TFSIL and PEF and have therefore been eliminated within the consolidated accounts where appropriate.	
Ordinary share capital	1
Profit and loss account	<u>2,136</u>
Shareholders funds represented by net assets	<u>2,137</u>

**12 Investment in Think Forward Social Impact (1) Limited**

The investment in Think Forward Social Impact (1) Limited (TFSIL) represents 50% of the issued ordinary share capital and the sole preference share of a company incorporated in England & Wales on 24 January 2012. The remaining 50% ordinary share capital is held by Big Society Capital.

PEF's investment in TFSIL was transferred to Impetus - The Private Equity Foundation as at the merger date.

	Period to 4 Jul 2013 £
Turnover	280,138
Cost of sales	(374,383)
Administrative expenses	(1,740)
Movement in shareholders funds	<u>(95,985)</u>
Note that an element of cost of sales (£44,685) relate to transactions with PEFTL and have therefore been eliminated within the consolidated accounts where appropriate.	
Ordinary share capital	900,000
Preference share capital	1
Profit and loss account	<u>(572,259)</u>
Shareholders funds represented by net assets	<u>327,742</u>
Shareholders funds attributable to minority interests (Big Society Capital)	<u>163,871</u>

Please refer to note 23 for further detail regarding minority interests.

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**13 Employees**

	<b>2014 Number</b>	<b>2013 Number</b>
<b>Number of employees</b>		
The average number of employees during the period was:	-	16

	<b>2014 £</b>	<b>2013 £</b>
<b>Employment costs</b>		
Wages and salaries	-	373,566
Social security costs	-	42,524
Pension costs	-	7,542
	-	423,632

The number of employees whose annual emoluments were £60,000 or more were:

	<b>2014 Number</b>	<b>2013 Number</b>
£60,000 to £70,000	-	-
£70,001 to £80,000	-	-
£100,001 and above	-	-

Pension contributions for staff whose annual emoluments were £60,000 or more totalled £0 (2013: £0).

**14 Tangible fixed assets**

	<b>Office Equipment £</b>
<b>Cost</b>	
At 1 January 2014	-
Additions	-
Disposals	-
<b>At 31 December 2014</b>	-
<b>Depreciation</b>	
At 1 January 2014	-
Charge for the year	-
Disposals	-
<b>At 31 December 2014</b>	-
<b>Net book value</b>	
At 31 December 2014	-
At 1 January 2014	-

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15 Investments

	Charity	
	2014	2013
	£	£
PEF Trading Limited	-	-
Thinkforward Social Impact (1) Limited	-	-
<b>At 31 December 2014</b>	<b>-</b>	<b>-</b>

16 Debtors

	Charity	
	2014	2013
	£	£
Gift Aid	-	-
Accrued income	-	-
Prepayments	-	-
Other debtors	-	-
PEF Trading Limited	-	-
<b>At 31 December 2014</b>	<b>-</b>	<b>-</b>

17 Creditors: amounts falling due within one year

	Charity	
	2014	2013
	£	£
Grants payable	-	-
Taxes and social security costs	-	-
Trade creditors	-	-
Accruals	-	-
<b>At 31 December 2014</b>	<b>-</b>	<b>-</b>

18 Creditors: amounts falling due after more than one year

	Charity	
	2014	2013
	£	£
Grants payable	-	-
<b>At 31 December 2014</b>	<b>-</b>	<b>-</b>

19 Movement in funds

	Balance at 1 Jan 2014	Incoming resources	Resources expended	Transfers	Balance at 31 Dec 2014
	£	£	£	£	£
<b>Restricted funds</b>	-	-	-	-	-
<b>Designated funds</b>	-	-	-	-	-
<b>Other Unrestricted funds</b>	-	-	-	-	-
<b>Total charity funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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**20 Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Total 2014 £
Fund balances at 31 December 2014 are represented by:			
Tangible fixed assets	-	-	-
Investments	-	-	-
Current assets	-	-	-
Creditors: amounts falling due within one year	-	-	-
Creditors: amounts falling due after more than one year	-	-	-
	-	-	-

**21 Members' liability**

Private Equity Foundation is a company limited by guarantee and has no share capital. The liability of each of the members in the event of winding up is limited to £10. The charity has no parent or ultimate holding company.

**22 Financial statements prepared on the basis that the charity is no longer a going concern**

On 4 July 2013, Private Equity Foundation and Impetus Trust legally merged to form Impetus – The Private Equity Foundation, which was incorporated on 25th March 2013 in England and Wales with registered number 8460519 and is a registered charity with registration number 1152262.

Taking account of this, the Trustees have prepared these financial statements on a basis that the charity (Private Equity Foundation) is no longer a going concern. This is due to the transfer of PEF's activities to the new charitable entity, Impetus – The Private Equity Foundation. No material adjustment arose as a result of ceasing to apply the going concern basis.

Note 25 details the net assets that were transferred to Impetus-PEF as at 4 July 2013.

**23 Minority Interests**

Minority interests reflect Big Society Capital's shareholding in ThinkForward Social Impact (1) Limited, see note 12 for further detail. PEF's investment in TFSIL was transferred to Impetus - The Private Equity Foundation as at the merger date.

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**24 Related parties**

PEF had two principal subsidiaries which were transferred to Impetus-PEF upon the merger date of 4 July 2013. Impetus-PEF became the parent company of the the Impetus-PEF Group. These are PEF Trading Ltd and Thinkforward Social Impact (1) Ltd. Notes 11 and 12 disclose PEF's investment in these subsidiaries and the subsidiary's results to 31 December 2013.

There are no transactions with related parties that required to be reported in accordance with FRS 8 Related Party Disclosures.

**25 Merger**

The aggregate book value of net assets transferred to Impetus-PEF as at 4 July 2013 is shown below.

	<b>4 July 2013</b>
	<b>£</b>
Fixed assets	96,633
Investments	450,001
Cash at bank and in hand	7,306,843
Debtors	62,879
Creditors	(26,082)
<b>Net current assets</b>	<b><u>7,890,275</u></b>
Restricted funds	1,069,861
Unrestricted funds	6,820,414
<b>Total funds</b>	<b><u>7,890,275</u></b>