

## **CITY BRIDGE TRUST – Delegated Authority (Requests up to £250k)**

### **ASSESSMENT CATEGORY: Bridging Divides - Connecting the Capital\Capacity building support**

**Money4Youth**

**Ref: 15945**

**Amount requested: £375,000**

**Adv: Tim Wilson**

**Base: Islington**

**Amount recommended: £150,000**

**Benefit: London-wide**

**Purpose of grant request:** To run and scale up a bespoke programme of support for BAMER led organisations in London. The proposed work focuses on increasing fundraising capacity, sustainability and operational excellence.

#### **The Applicant**

Established in 2014, Money4Youth is a Charitable Incorporated Organisation delivering financial literacy training across the UK and in sub-Saharan Africa. The founding CEO had a banking career before developing her interest in financial education and young people's money-management skills. She started her work through a money education club at a local primary school, which led to invitations to deliver similar schemes in secondary education and with local community organisations. Through her role as Chair of the Black Fundraiser's group at the Institute of Fundraising, she saw evidence of disengagement from black fundraisers which, at root, she believed was reflective of a lack of capacity.

In 2016, and with seed funding from the Tudor Trust, Money4Youth launched Avocado with its partners Race on the Agenda and BlackFundraisers UK (the latter a network hosted by the Institute of Fundraising). Avocado seeks to enhance the sustainability, financial capability and leadership of BAMER charities.

Since the organisation is working more widely than its original focus on schools, it is changing its name to Money4You. This will be ratified at its 2020 AGM (and subsequently with the Charity Commission).

#### **Background and detail of proposal**

Money4Youth seeks support to develop its Avocado capacity building programme for BAMER-led organisations. The Avocado initiative is built on evidence of a lack of diversity in the fundraising profession (e.g. Barrow Cadbury Trust's 2013 report "Who's Doing the Asking?" which identified the significant lack of paid fundraising staff from BAMER backgrounds). This in turn can result in BAMER organisations failing to receive fundraising advice which is suitable for their needs.

Avocado supports organisations to develop a better understanding of their strengths and the areas where development should focus. Work covers governance, planning, financial capability and fundraising. The programme is promoted through Money4Youth's own database, via BlackFundraisers UK, local infrastructure organisations and specialist media. Participant organisations typically have incomes of less than £100,000 pa. Applicants are selected against a standard scoring system

by a steering group involving partner organisations Race on the Agenda and BlackFundraisers UK.

Work begins with a diagnostic exercise developed initially by McKinsey and revised through previous delivery rounds. Each programme participant receives support over 6 – 9 months from one of the charity's four consultants who are all affiliated to the Institute of Fundraising. Money4Youth would like to accredit Avocado and has started discussions with Goldsmiths and City University to explore this further.

With Trust funding, Money4Youth will deliver intensive support to at least 50 organisations each year and provide online assistance to a wider group of 200 with support from the Charity Excellence Framework.

The organisation can adjust the Avocado programme to account for Covid. If, for example, lockdown was extended or reintroduced at a later date, then the diagnostic and support services could run virtually.

Tudor Trust's funding was for two years and came to an end in January 2020. The charity secured continuation support from the Nisa retail chain's Making a Difference Locally charity. Operations have been relatively modest to date, and Money4Youth now wishes to put the programme on a more sustainable footing and scale it. The charity wishes to build free reserves, diversify its income streams and hire its first staff members (for management and administration).

Your officer judged the original request to be too large and for too long given the organisation's modest turnover. In line with the Trust's policy to fund no more than 50% of turnover, Money4Youth has confirmed it is comfortable with the revised funding recommendation. As a capacity building organisation, should Money4Youth be successful in scaling its work, the charity could return for continuation funding and the Trust could consider a larger grant, albeit within the parameters of current policy.

### **Financial Information**

The charity has had quite modest turnover to date, growing recently with funding from Tudor Trust. The grant requested from City Bridge Trust is not included in the forecast and budget figures shown in the table below.

The 2019 accounts show limited spend against the restricted income received. This reflects the phasing of work, which has been aligned to academic years. The charity received its Tudor funding in 2019 and carried forward into 2020 for delivery. The significant deficit on restricted funds in 2020 reflects this.

At time of writing this report, and with two weeks to go until the end of the charity's financial year, Money4Youth has secured 94% of its 2020 forecast income. It reports that it is confident of securing the balance by year end. Your officer does not expect Covid to have any significant impact on the charity's finances.

Year end as at 18th June	2019	2020	2021
	Examined Accounts	Forecast	Budget
	£	£	£
<b>Income &amp; expenditure:</b>			
Income	99,683	63,736	81,000
- % of Income confirmed as at 5th June	n/a	94%	0%
Expenditure	(36,252)	(101,736)	(61,000)
Total surplus/(deficit)	<b>63,431</b>	<b>(38,000)</b>	<b>20,000</b>
Split between:			
- Restricted surplus/(deficit)	(1,838)	(51,711)	9,000
- Unrestricted surplus/(deficit)	65,268	13,711	11,000
	<b>63,430</b>	<b>(38,000)</b>	<b>20,000</b>
Operating expenditure (total funds)	36,252	101,736	61,000
<b>Free unrestricted reserves:</b>			
Free unrestricted reserves held at year end	756	14,467	25,467
No of months of operating expenditure	0.3	1.7	5.0
Reserves policy target	9,063	25,434	15,250
No of months of operating expenditure	3.0	3.0	3.0
Free reserves over/(under) target	(8,307)	(10,967)	10,217

### Funding History

Meeting Date	Decision
30/01/2020	Application withdrawn based on advice from the Trust.

### Recommendation

Support from City Bridge Trust at this stage would help Money4Youth to develop its offer. The Avocado programme has benefited from Tudor Trust funding and the input of well-regarded partners such as Race on the Agenda and BlackFundraisers UK. Funding is recommended as follows:

***£150,000 over three years (3 x £50,000) towards Money4Youth's Avocado fundraising capability and financial sustainability programme for BAMER organisations in London.***

Approved.....  
Chief Grants Officer /  
Deputy CGO

Approved.....  
Chair

Approved.....  
Deputy Chair

Date.....

Date.....

Date.....