

THE REACT FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

THE REACT FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr TP Woolaghan	
	Mr M Priestley	
	Mr TR Durcan	
	Mr I Lupton	
	Ms K Daniels	
	Mr K Hannah	(Appointed 1 October 2021)
	Mr R Smith	(Appointed 1 October 2021)
	Miss K Johnston	(Appointed 1 October 2021)
	Ms J Perkins	(Appointed 1 October 2021)
Charity number	1104518	
Registered office	Phoenix Court Earl Street Cleator Moor Cumbria CA25 5AU	
Independent examiner	Gibbons Carleton House 136 Gray Street Workington Cumbria CA14 2LU	
Bankers	Cumberland Building Society 52 High Street Cleator Moor Cumbria CA25 5AA	

THE REACT FOUNDATION

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THE REACT FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

Introduction

The trustees present their report along with the financial statements for the year ended 31 August 2022. The financial statements have been prepared in accordance with the accounting policies and comply with the charity's trust deed and applicable law.

The trustees confirm they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission including public benefit guidance.

Objectives and activities

The charitable trust is constituted by a declaration of trust dated 25 May 2004. The objects of the trust is to advance the study of engineering in the West Cumbria area by providing financial assistance to students undertaking university study in engineering or a related subject. The policy of the trustees is to develop streams of new funding for the charity and to implement procedures to identify potential beneficiaries of the funding. The day to day running of the charity is undertaken by the trustees.

The trustees believe the public benefit is to advance the Study of Engineering in the West Cumbria area by providing financial assistance to students undertaking university study in engineering, or a related subject.

Development, activities and achievements

University Award

The Trustees had promised the £3,000 bursary award in 2020 to student Nikki Hutchman, formerly of Cockermouth School. Nicki had decided on taking a gap year and was planning on collecting her cheque in September 2021, however Nicki has again decided to take a gap year and intends on commencing university in September 2022. We will contact Nicki in August 2022 to arrange handing over the promised cheque then.

Back in September 2020, The Trustees promised Millom School student Kieran Titmas the £3,000 2021 bursary prize and St Benedict's School student Aaron Eldon the runner up prize of £250 during an online promise evening. Due to COVID restrictions, we were unable to hold the annual awards evening, however we held a virtual event and activities were shared on social media and cheques were sent out in the post to both students who did indeed go on to study Engineering related subjects at university.

After much discussion, the trustees awarded the 2022 awards to: Bursary Award winner: Ciaran Lavery of Netherhall School, Bursary runners up: Emily Hartley of Cockermouth School and Kai Savage of St Benedict's School.

Shortly after we touched base to invite Ciaran to our Promise Evening, he informed us his studying plans had changed and wished to withdraw from the awards. The trustees agreed that Emily Hartley would then become the winner, with Kai still claiming the runner up prize.

The IMechE awarded Tyler James Chambers their winning prize of £1,000.

In April 2022, we held our annual Promise Evening, with cheques due to be handed over to the above winners in September 2022.

The Post 16 Awards

Following on from the online promise evening in Spring 2021, the 10 Post 16 students that were promised the bursary awards received them in September 2021. As stated above, due to ongoing restrictions, the face to face awards evening wasn't held, so the winning students received their cheques in the post.

The winning students were: Sam McLoughlin (Cockermouth School), Matthew Hall (Keswick School), Rebekah Clayton (Millom School), Danny Dryden (Netherhall School), Elisha Rowlandson (St Benedict's School), Mary Soriano (St Benedict's School), Ellie-Rose Kennett (Energy Coast UTC), Lily Pringle (Energy Coast UTC), Jack Thornton (Energy Coast UTC) and Evie Little (Workington Academy).

The trustees reviewed and awarded 5 students the 2022 Post 16 awards. The winning students in 2022 were: Rhys Owen Jackson (St Benedict's School), Alfie Taylor (St Benedict's School), Emily Heron-Southward (Cockermouth School), Amber Smith (Cockermouth School), Abigail Lowes (Cockermouth School).

THE REACT FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The 5 students attended our Promise Evening in April 2022, and are due to collect their winning cheques in mid-September 2022 at our Awards Evening.

Annual Science & Engineering Shows 2021

The REACT Foundation Annual Science & Engineering Show was launched in late September 2007 offering the opportunity for every Year 6 child in West Cumbria to attend an exciting science and engineering show. Due to the success of the Year 6 shows a secondary show was introduced in September 2010 to year 9 students and this was extended to include Year 7 & 8 in 2013. The primary shows are also attended by Year 5 students.

Unfortunately, the Outreach Team from the Science Museum were furloughed in March 2020 and unable to deliver the 2020 and 2021 shows in the normal manner.

With the Science Museum again unable to present this year's shows and following on from the success of last year's shows, an approach was once again made to Science Made Simple – a profit making organisation known for delivering shows throughout the country and beyond. Working in partnership with Cardiff University the team deliver shows, workshops, busking in school events and at festivals. The team were contacted, and it was agreed to deliver live bespoke shows for primary events, and an online show for the secondaries.

The team delivered the KS2 shows over 4 days in September 2021, and the KS online shows were held in early February 2022. Although the format of the shows was slightly altered, we were still able to offer the interactive and fun shows to all West Cumbrian students.

Uptake was excellent, especially for the KS2 live shows. The feedback was good, and the schools seemed to appreciate we were able to deliver a show albeit in an alternative format.

The 2021 shows saw RWE Robin Rigg (previously known as E.On) sponsoring for the 13th consecutive year, with The University of Cumbria also being an equal sponsor.

KS2 Primary Shows: Look Up! By Simon Watt

This year, taking restrictions and social distancing into consideration, we were able to present the KS2 show Look Up to approximately 1,750 KS2 students over 4 days. The 8 shows were held at Lakes College, Cleator Moor Civic Hall and Millom School. This allowed students from all over the county to attend the shows.

Simon Watt (Science Made Simple) presented the shows. The feedback from the shows was fantastic, with schools being appreciative of live shows being back for the younger students.

Secondary Shows (Yr 7, 8 & 9): Big Quiz of the Year – Science Made Simple

In February 2021, TV presenter and author Simon Watt and self-described science 'troubadour' Jonny Berliner teamed up to host The React Foundation's online Big Quiz of the Year – UniverSilly Challenged event. All schools across West Cumbria were invited to take part in the quiz, where students competed against each other in teams to become quiz champions.

The quizzes were held over 2 days with over 290 teams participating. The Big Quiz of the year was engaging, exciting, funny and a fun way of learning, allowing the students to still participate in the Foundations annual shows in an online format. The feedback from the schools participating was great, with Rik Smith from Cockermouth school saying: 'A great time was had by all involved in the UniverSilly Challenged quiz. The buzz in the classrooms as the students scrambled to respond to the questions was almost as exciting for the staff as it was for the pupils.'

It is hoped that the Foundation's annual Science and Engineering Shows will be back live next year, with all COVID restrictions eased at this point.

ICanToo Project - Working in partnership with Inspira

September 2021 saw the kick-off of the five-year ICanToo Programme, with the first cohort beginning their two year of events and mentoring. The cohort consists of ten students, from each of the four schools, selected through unreached potential.

- Cockermouth School, Cockermouth
- Netherhall School, Maryport
- St Benedict's School, Whitehaven
- West Lakes Academy, Egremont

THE REACT FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The ICanToo Programme consists of inspirational, educational and unique events for the students, planned through volunteering members of React Engineering. Inspira support the programme ensuring each student signed on has been supported and guided through one-to-one mentoring, helping to achieve their true potential in STEM based subjects.

Since September 2021 the students have attended a number of events, ranging from local engineering businesses, universities and an out of county residential. In September the group attended an evening at TIS Cumbria, which included a workshop tour by various members of staff and an educational talk from the Managing Director, on setting up a successful business.

Due to the pandemic postponing the initial team building residential, this was held in October 2021, at Keppleway Activity Centre. The students participated in outdoor team building activities, with an evening serious Lego session ran by Fran Ward. The one night residential allowed the students from different schools to integrate, whilst also following the aim of being educational. In October half-term the students attended a full day event at CREATEC, which seen the group partake in a number of activities including a session with the robotic dog, rocket building, programming and further team critical thinking games.

To finish 2021, in November the cohort attended an evening hosted by the National College for Nuclear, which introduced the students to VR and using this in real-life emergency situations, this event was also attended by the Wasdale Mountain Rescue, who showcased their equipment.

The cohorts next trip was held at The University of Cumbria Institute of Science and Environment in February 2022 half-term. The day was organised by a variety of educational, inspirational and unique sessions including Biomedical Sciences, Forensic Science, Zoology and Chemistry/Environmental Science.

The year completed for the first cohort through a three-day residential to Manchester, where the trip was bursting with as many events and opportunities as possible. The trip started by an educational talk and tour of Manchester United Old Trafford group, appreciating the various career pathways across the company. The first evening ended with a historical tour of Manchester with a guide, learning all about the cities history and the industrial revolution. The second day was started at The University of Salford, where the students visited the Engineering Department for inspiration and eye-opening opportunities, and finished at Manchester Airport with an incredibly unique tour of the concorde – which was the students highlight of the trip! The final day before departure, the students attended the Museum of Science and Industry, with a backstage pass and talks by the explainers.

The programme was made possible through a substantial funding pot, curtesy of the Royal Academy of Engineering, The Granada Foundation and Francis C Scott.

The second cohort, again 40 students from the four schools above, have now been recruited to start the programme in September 2022 with the first cohort returning for their second year. The second cohort attended an overnight residential in July 2022, to welcome them to the programme and again integrate the group before the programme started. This residential was funded by Hello Future.

REACTIONeers Club

The REACTIONeers STEM club was set up with the idea of allowing children to have an insight of what engineers can accomplish and how they influence our world. The club's main objective is to allow the children to broaden their learning around STEAM subjects, whilst being fun and enjoyable, and develop exploration. As the group is based in a rural community with limited access to facilities and low aspirations, the group nurture the belief that imagination has no limits and endorse that members can achieve their dreams.

The club started as a weekly afterschool session attended initially by family and friends of staff members of REACT Engineering, where they dive into the world of STEAM through hands on, educational, and fun activities. The club is attended by children from aged 4-11.

THE REACT FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Due to COVID restrictions, weekly sessions became more of a challenge to run, but we continued to do monthly sessions online. With restrictions easing, The REACTioneers club started to expand and do more outreach sessions that all local children could attend. This took away the restrictions of who we could offer the sessions to due to spacing and made the group more inclusive and accessible to all.

In August 2022, REACTioneers Outreach sessions were held at both Whitehaven and Cleator Moor library in conjunction with the library's summer 'Gadgeteers' challenge. Volunteers from the Foundation ran the sessions for local children, where students aged 5-13 years old took part in the Gliding Robots challenge. The students produced a robot that walked up the doorway. Feedback from these sessions was fantastic, with some local charitable groups seeing this feedback online and enquiring about future sessions with The Foundation. Working alongside the library is something we will continue to do as it gives us a good reach and open to all.

We aim to continue the great work of The REACTioneers next year, doing more outreach sessions.

Schools of the Future – University of Oxford Trip 2021

In March 2020, a trip to Oxford University was planned with local students that had taken part in the First Lego League competition. Unfortunately, due to the pandemic, this trip had to be cancelled. Good communication was kept with contacts at the university, and this trip was rearranged for March 2020 in a slightly different format.

As First Lego League competitions have been on hold due to the pandemic, The Foundation created a unique project; Engineers of the Future, Schools of the Future. The idea was that the students involved with this project would imagine, design and create their vision of their school in 50 years' time. This project ran for 8 weeks, concluding with a trip to Jesus College, Oxford University in March 2022, where the students would present their projects to staff and students attending the university.

3 local schools were approached (Montreal School, St Joseph's School and St Patrick's School), and the project was supported at weekly sessions by 8 volunteers from The Foundation. The students designed their schools and used robotic elements to bring this design to life. The students created a presentation of their project lifecycle, showing how they came up with various ideas and how these ideas were put into place for their final design.

A total of 34 students aged 8-10 years old and 9 supporting staff members and volunteers from The Foundation attended the 3 day trip to Oxford University. During their time at the university, students attended various lectures including: How to think like an Oxford Student and Simple lecture on science. The students also attended a bridge building competition held by a post grad university student. The attendees also immersed themselves in the city of Oxford with tours around the city and a visit to the local museum. The trip was finished off with the students presenting their projects to Oxford university students and staff members.

This project and the visit to the university was a huge success, with nothing but positive feedback coming from the students and staff attending. One staff member is quoted as saying: "This was a fantastic opportunity for our children who otherwise would have never had the chance to dream big and realise that university is an option for them in the future. The children were challenged to draw what they thought an Oxford student was like and we had a variety of characters. After discussions, they realised that anyone can become an Oxford student - even them. All our pupils thoroughly enjoyed the project task, meeting new people and challenging themselves by sleeping in student accommodation."

With another teacher adding: "The Oxford University trip was an amazing experience for our children, and we saw their confidence grow before our eyes. They developed their speaking and listening skills and had the opportunity to problem solve and plan their project with the graduates from React and you could see the pride they had in their project as they presented to the students at Jesus College. The children loved the visit to the university to learn what life would be like as an Oxford student - they were so inspired by the lectures we attended and their self-belief grew as they realised they could one day be part of such a wonderful institution. I cannot thank The React Foundation enough for offering us such a brilliant opportunity."

The parents of the students attending also provided fantastic feedback saying: "The REACT engineering project was an amazing experience for my son, not only did he get an amazing opportunity to visit Oxford, he was able to experience life as a student engaging in lectures and participating in delivering a team presentation that they had worked towards back home within school. I know that given the opportunity he would definitely participate over and over again!"

THE REACT FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

With the trip being such a huge success, and the impact this project has had on the students being overwhelmingly apparent, The Foundation would love to repeat this trip next year. Good communication has therefore been maintained with contacts at Oxford University with this in mind.

Supporting others

With restrictions slowly easing, we were able to start supporting events more and hope to continue to do so. In July 2022, volunteers from the Foundation attended the IET Engineering Open House Day – a national event aimed at encouraging 5-13 year old to explore various engineering career paths via local businesses. The ticketed event was sold out, and the volunteers from the Foundation done a 'floating boats' experiment where each student was encouraged to design and make a boat from scrap material, with the purpose of floating from one side of a tray filled with water, to the other. For an extra challenge, coins could be added to the boat to see if the designs withstood the added weight.

The children were encouraged to think about design and material properties, and also learned what type of challenges engineers have to think about in their day-to-day jobs.

Feedback from the students and volunteers that attended was great.

Website & social networking

The website, Twitter, Facebook and Instagram continue to be used to promote the Foundation and other science/engineering activities in the local area.

Future Foundation Initiatives

Continuation of the Bursary & Post 16 Awards

The awards have been reviewed by the Trustees. The Foundation will continue to make awards to Post 16 students as before. The application process for the Bursary awards changed at the start of 2019. Applications are now accepted during Spring and Summer whilst the students are in Year 12. A promise will be made when students commence Year 13 in September, with the monetary award being made the following year. Even though we have been unable to hold our annual Promise/Awards evenings due to social distancing restrictions this year, we hope to hold these again next year once restrictions have eased.

Continuation of Annual REACT Foundation Science & Engineering Show

The Science Shows in their current format have been running since 2007, however the 2021 shows had to take a different format due to COVID-19, and the social distancing restrictions nationally. With the Science Museum, London unable to support the online shows during the restrictions, Simon Watt from Science Made Simple was approached and delivered these shows for us.

With restrictions easing, it is hoped next years shows will be back in their live format. We will approach the Science Museum in order to make these shows work again, live.

Continuation of the ICanToo Programme

The second cohort of ICanToo are due to kick-off their two year programme in September 2022, where a range of inspirational, educational and unique events are planned, alongside the continual support from Inspira. The 2021 cohort will be starting their final year on the programme, with the guidance and mentoring sessions being the forefront.

The Trustees continue to follow up on ideas for funding the project and continue to work alongside Inspira to deliver the best possible programme.

Partners and Funding

IMechE West Cumbria will continued to support a student with their university bursary running alongside our own initiative. Our ties with IMechE West Cumbria continue to grow as we work alongside one another on other initiatives.

Support for the Science Shows has been received from The University of Cumbria for the 2021 virtual show. RWE (formerly E.ON) have vouched their financial support for next years shows.

Mentoring support and guidance for the students on the ICanToo scheme has been provided by Inspira Cumbria.

THE REACT FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Financial review

The trustees actively review the major risk which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The financial statements have been prepared in accordance with the accounting policies and comply with the Charities Act preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

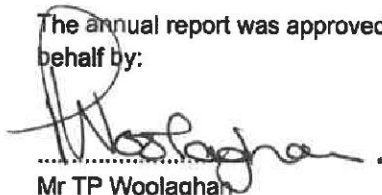
Investments

At present the reserves of the charity are held in interest bearing deposit accounts.

Reserves Policy

The trustees have reviewed the level of current unrestricted reserves and consider them adequate to meet the current charitable expenditure commitments.

The annual report was approved by the trustees of the charity and signed on its behalf by:



Mr TP Woolaghan
Trustee

Date: 26/05/2023

THE REACT FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE REACT FOUNDATION

I report to the Trustees on my examination of the financial statements of The React Foundation (the Charity) for the year ended 31 August 2022.

Responsibilities and basis of report

As the Trustees of the Charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the Charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the Charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 financial statements to be reached.



Tony Hindmoor FCA
Gibbons
Chartered Accountants
Carleton House
136 Gray Street
Workington
Cumbria
CA14 2LU

Dated: 7 June 2023

THE REACT FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
Income from:							
Donations and legacies	2	30,300	27,197	57,497	10,978	10,854	21,832
Investments	3	-	-	-	393	-	393
Total income		30,300	27,197	57,497	11,371	10,854	22,225
Expenditure on:							
Charitable activities	4	15,068	34,754	49,822	5,164	-	5,164
Net income/(expenditure) for the year/							
Net movement in funds		15,232	(7,557)	7,675	6,207	10,854	17,061
Fund balances at 1 September 2021		75,131	10,854	85,985	68,924	-	68,924
Fund balances at 31 August 2022		90,363	3,297	93,660	75,131	10,854	85,985

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE REACT FOUNDATION

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	8	-		5,000	
Cash at bank and in hand		96,854		80,985	
		<u>96,854</u>		<u>85,985</u>	
Creditors: amounts falling due within one year	9	(3,194)		-	
Net current assets			<u>93,660</u>		<u>85,985</u>
Income funds					
Restricted funds	10		3,297		10,854
Unrestricted funds			90,363		75,131
			<u>93,660</u>		<u>85,985</u>

The financial statements were approved by the Trustees on 16/05/2023

Mr TP Woolaghan
Trustee

THE REACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Charity information

The React Foundation is an unincorporated charity registered in England, Wales and Scotland. The principal address is Phoenix Court, Earl Street, Cleator Moor, Cumbria, CA25 5AU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

THE REACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.5 Expenditure

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 are allocated on the portion of the asset's use.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

THE REACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

THE REACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Donations and gifts	30,300	27,197	57,497	10,978	10,854	21,832

THE REACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

3 Investments

	Total Unrestricted funds	
	2022	2021
	£	£
Interest receivable	-	393

4 Charitable activities

	Unrestricted funds	Restricted funds	Total Unrestricted funds	
	2022	2022	2022	2021
	£	£	£	£
Awards to students	4,850	-	4,850	2,050
Mentoring	-	10,550	10,550	-
Science and engineering events	8,252	-	8,252	2,520
Promotion and web-site costs	250	-	250	54
Professional fees	-	-	-	540
Accommodation	297	16,208	16,505	-
Insurance	483	-	483	-
Travel	500	5,530	6,030	-
Activities and tours	436	1,961	2,397	-
Room and equipment hire	-	505	505	-
	15,068	34,754	49,822	5,164
	15,068	34,754	49,822	5,164
Analysis by fund				
Unrestricted funds	15,068	-	15,068	5,164
Restricted funds	-	34,754	34,754	-
	15,068	34,754	49,822	5,164

5 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

THE REACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

6 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Total	-	-

There were no employees whose annual remuneration was more than £60,000.

7 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

8 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	-	5,000

9 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	3,194	-

10 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds		Movement in funds		
	Incoming resources	Balance at 1 September 2021	Incoming resources	Resources expended	Balance at 31 August 2022
	£	£	£	£	£
I Can Too Project	10,854	10,854	27,197	(34,754)	3,297

THE REACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

11 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 August 2022 are represented by:						
Current assets/(liabilities)	90,363	3,297	93,660	75,131	10,854	85,985
	<u>90,363</u>	<u>3,297</u>	<u>93,660</u>	<u>75,131</u>	<u>10,854</u>	<u>85,985</u>