



## 2023

Because micro-donations matter.



## The impact of micro-donations

**In 2023, someone made a donation with Pennies every 0.86 seconds.**

### Every day

customers of a forecourt operator donate enough that Macmillan Cancer Support could fund their Online Community - a support network for people living with and affected by cancer - for a whole day.



If all the donations made with Pennies in 2023 were real pennies stacked on top of each other, they would reach the height of Manchester's tallest building, Deansgate Square South Tower, an incredible

**6,577 times!**



**In 2023, Pennies grew donations by 28%, raising £8.7 million for charity.**

### 15 minutes

of micro-donations made by customers of a regional co-operative could help pay for six people affected by dementia get free, life changing support from a national Helpline.



**Two hours**



of customer micro-donations at a fragrance retailer could help the charity Rays of Sunshine fund an isolation pack for a seriously ill child to benefit from when in hospital.

# **The Pennies Foundation**

## **Annual report and financial statements**

### **for the year ended**

### **31 December 2023**

**Registered in England and Wales charity number: 1122489**  
**Registered in the Republic of Ireland charity number: 20106331**  
**Registered in the Isle of Man charity number: 1275**  
**Company number: 6418982**

**Registered office:**  
1st Floor  
64 London Wall  
London, EC2M 5TP

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## Legal and Administrative Information

### Registered Charity Numbers

|                     |          |
|---------------------|----------|
| England and Wales   | 1122489  |
| Republic of Ireland | 20106331 |
| Isle of Man         | 1275     |

### Company Registration Numbers

|                   |          |
|-------------------|----------|
| England and Wales | 06418982 |
| Isle of Man       | 006181F  |

|                             |                         |                          |
|-----------------------------|-------------------------|--------------------------|
| <b>Governing Instrument</b> | Articles of Association | (Amended 12 August 2019) |
|-----------------------------|-------------------------|--------------------------|

|                 |                |                        |
|-----------------|----------------|------------------------|
| <b>Trustees</b> | Robert Leitão  | Chair                  |
|                 | Peter Ayliffe  | Audit Committee member |
|                 | Graham Edwards | Audit Committee Chair  |
|                 | Ian Filby      | Resigned 4 April 2023  |
|                 | Penny Lovell   |                        |
|                 | Angela Luger   |                        |
|                 | Julian Taylor  | Audit Committee member |
|                 | Leigh Thomas   |                        |

|                        |                       |
|------------------------|-----------------------|
| <b>Chief Executive</b> | Alison Hutchinson CBE |
|------------------------|-----------------------|

|   |   |
|---|---|
| <b>Registered Office<br/>and Business Address</b> | First Floor<br>64 London Wall<br>London<br>EC2M 5TP |
|---|---|

|               |  |
|---------------|--|
| <b>Banker</b> | HSBC Bank plc<br>94 Kensington High Street<br>London<br>W8 4SH |
|---------------|--|

|                |  |
|----------------|--|
| <b>Auditor</b> | RSM UK Audit LLP<br>25 Farringdon Street<br>London<br>EC4A 4AB |
|----------------|--|

|                  |  |
|------------------|--|
| <b>Solicitor</b> | Simmons & Simmons LLP<br>Citypoint<br>One Ropemaker Street<br>London<br>EC2Y 9SS |
|------------------|--|

|                |   |
|----------------|---|
| <b>Website</b> | <a href="https://pennies.org.uk/">https://pennies.org.uk/</a> |
|----------------|---|

## The Report of the Trustees

The trustees are pleased to present their annual directors' report together with the financial statements of The Pennies Foundation (working name "Pennies") for the year ending 31 December 2023, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and 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 accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

## Our Values

- **We care to our core**
- **We inspire people to take action**
- **We make things happen**
- **We adapt as needed**



## Vision, Objects, Purpose of the Charity, and Public Benefit

### Our Vision

Wherever and whenever people pay by card or digitally, they will be given the opportunity to donate a few pence to charity, in a simple, safe and sustainable way.

### Our Mission

To protect and grow micro-donations – ensuring that the public has digital ways to keep donating the small amounts of money that are so vital for charitable causes.

### Our Purpose

To make micro-donations easy in an increasingly cashless society.

### Objects of the Charity

The Charity's objects are, for the benefit of the public:

1. The promotion of the voluntary sector in particular (but not exclusively) by encouraging and facilitating charitable giving, assisting in the application of funds for charitable purposes and monitoring the use of such funds by charitable organisations;
2. The promotion of the efficiency and effectiveness of charities and the effective use of charitable resources in particular (but not exclusively) by providing advice to charities and organisations seeking to maximise charitable giving, exchanging information with such charities and organisations and providing technology and infrastructure designed to make it easier to give to charity; and
3. Such other purposes that are exclusively charitable as the trustees from time to time think fit.

## Strategies to Achieve Our Objectives

A trusted leader in digital micro-donations, Pennies has created a movement that offers businesses a powerful way to demonstrate social purpose, helps charities make a greater impact, and gives consumers an affordable way to donate without cash as part of their daily lives.

In an increasingly cashless society, our digital charity box provides an accessible way to add a small donation to transactions when paying by card, digital wallet or in-app.

Pennies is a simple, affordable, and private way to donate, with 100% of funds raised going to charity.

We work with the payments, technology and digital commerce platform sectors to introduce micro-donation

## Public Benefit, Environmental and Social Impact

The trustees confirm that, in carrying out their responsibilities and exercising their powers, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission for England and Wales.

Pennies is independent, enabling it to lead the micro-donation movement for the benefit of the entire charity sector, and we engage across all technologies, merchants, hospitality sectors and channels. Micro-donations could inject £1bn per annum into the UK charity sector if every UK card holder gave just 35p a week.

As set out in this report, our charitable activities include implementing Pennies with our partners to give consumers the option to donate their “digital change” whenever they use cards or other digital payment methods to pay for goods and services. The sums collected are donated to us and we then make grants to approved registered charities. We do not collect or hold personal data relating to individual donors and our retail partners undertake not to contact them about their donations. We are focused on encouraging and facilitating charitable giving through micro-donations, thereby supporting the UK charitable sector.

The trustees consider that, as registered charities are required to demonstrate explicitly that their aims fulfil the requirements of public benefit, and as our activities are directed towards making grants to charities which are registered with at least one of the Charity Commission for England and Wales, the Office of the Scottish Charity Regulator, the Charity Commission for Northern Ireland, the Charities Regulatory Authority in the Republic of Ireland, the Association of Jersey Charities, or the Isle of Man Charities Central Registry, our activities are wholly for the public benefit.

In addition, we provide information about our social impact on our website at <https://pennies.org.uk/our-impact>, to highlight the breadth of causes and charities benefitting from Pennies. We also carry out our own impact evaluation of the use of the funds by those charities and we regularly publish information on our website relating to the work of the charities that benefit.

opportunities to more channels, unlocking the functionality for the benefit of the charity sector. We focus on the security and efficiency of digital micro-donating, giving consumers an easy opportunity to support charities as they go about their daily lives.

As a significant proportion of Pennies' social value is created by the impact of the micro-donations we enable, we can deduce that significant additional social value will have been created through our work in 2023. In addition, by working with our partners to enable micro-donating we are helping them to fulfil their own social objectives to give back to the communities in which they operate.

The trustees consider that Pennies has a low environmental impact as a digital-only initiative that does not require the manufacture or transport of physical goods. In addition, we occupy a single office location easily accessible by public transport, which was refurbished in 2019 with the latest energy-efficient heating and lighting. We are continuing with a hybrid working pattern, introduced in 2021, which means that fewer days are worked in the office, thereby saving a significant portion of staff travel time and the impact that has on the environment.

“**Pennies is focused on encouraging and facilitating charitable giving through micro-donations, thereby supporting the UK charitable sector.**”

## Structure, Governance and Management

The Charity is a private company limited by guarantee, registered in England and Wales (number 06418982) and is a charity registered with the Charity Commission for England and Wales (number 1122489), with the Charities Regulatory Authority in the Republic of Ireland (number 20106331), and is registered with the Jersey Financial Services Commission as required by The Non-Profit Organisations (Jersey) Law 2008 (the "NPO Law"), and with the Isle of Man Charities Central Registry (number 1275).

The Charity's governing document is the Articles of Association adopted on 6 November 2007 and amended on 12 August 2019 (the Constitution).

Trustees consider the principles set out in the Charity Governance Code, refreshed at the end of 2020, when carrying out their duties. During the year we prepared an evaluation of how the Charity apply the Code's principles and recommended practices. The evaluation showed that most of the Code's recommended good practices are followed. We will continue to use the code as a tool to support continuous improvement as the Charity develops, and to focus on the areas for improvement and further implementation.

The liability of the members is limited, and each member agrees to contribute up to £10 in the event of the Charity being wound up. The trustees are the only members of the Charity and they automatically become members on appointment to the Board of Trustees (Board).

The Charity has a wholly owned subsidiary, Your Penny Limited, which is a private limited company registered in England and Wales (registered number 6880306). Your Penny Limited is a dormant company.

The Charity is registered with the Fundraising Regulator and has committed to follow the Code of Fundraising Practice and the Fundraising Promise. In 2023 we received a total of 5 complaints (2022: 3 complaints) which is extremely low in the context of the total number of donations for the year which was 38.4 million (2022: 28 million). We responded to, and resolved, each complaint with the complainants. Pennies is a pressure-free way to donate to charity prompted by technology, without the need for a person to make the ask, allowing the consumer to confidentially choose to donate anonymously, as no personal data is asked for or collected.

### Trustees

The Constitution requires at least three trustees but there is no maximum number. As set out in the

Constitution the trustees have the power at any time to appoint any person who is able and willing to be a trustee. Trustees are appointed for an initial term of three years and may be reappointed by the trustees for further terms of three years. In the event that a Trustee has served in office for three consecutive terms of three years, such Trustee may be reappointed by the Trustees for further terms of three years after the end of their third term in office if 75% of the Trustees resolve that they are reappointed, taking account of the Trustee's contribution to the Board as a whole. This flexibility is of great value to the Charity in its still relatively early years, and in a period of continual rapid growth and development, having a consistency of key board members is very welcome.

During the year Peter Ayliffe reached the end of his 3-year term in office, and as the conditions were deemed to be met, was reappointed for a further 3-year term.

When recruiting new trustees, the Charity aims to attract a breadth of skills and diversity commensurate with our stage of development as a growing charity. Board appointments are based on merit and whether a candidate has the skills and knowledge to be an effective trustee and has the ability to support the ambitious donation growth targets set by the Board of Trustees over the short to medium term.

Prior to appointment, trustees receive a comprehensive induction pack which includes the Constitution, background on Pennies and its aims, our *Code of Conduct for Trustees* and *Conflict of Interest Policy* and information about their role and responsibilities. Both new and existing trustees have the opportunity to meet regularly with the Chief Executive, the senior management team and other members of staff, and when required further training is arranged for a trustee as an individual or for the Board as a whole.

The following either served as trustees during the financial year or were trustees at the date of this report:

|                |                        |
|----------------|------------------------|
| Robert Leitão  | Chair                  |
| Peter Ayliffe  | Audit Committee Member |
| Graham Edwards | Audit Committee Chair  |
| Ian Filby      | Resigned 4 April 2023  |
| Penny Lovell   |                        |
| Angela Luger   |                        |
| Julian Taylor  | Audit Committee Member |
| Leigh Thomas   |                        |

The trustees, who are collectively responsible for the Charity's governance, for ensuring delivery of our charitable objectives and for setting our strategic

direction, met four times during the year. At each meeting the trustees received a governance update and discussed the implications for the Charity.

The Audit Committee, which met twice during the year, has delegated responsibility on behalf of the Board for:

- reviewing the financial statements and the application of appropriate accounting policies; and
- providing oversight of the external audit process by monitoring and reviewing its effectiveness, independence and objectivity.

Matters which are reserved to the Board include appointing the Chief Executive, agreeing our strategy, plans and budget, appointing external auditors and approving key policies such as the risk management and investment policies.

## Management and Staff

Responsibility for the day-to-day management of the Charity is delegated to the Chief Executive, Alison Hutchinson CBE, within the strategic and accountability frameworks established by the trustees and includes responsibility to negotiate and enter into agreements on behalf of the Charity in the ordinary course of business.

We support the principles of equality, diversity and inclusion in the Charity Governance Code and take these into account when recruiting trustees, management, and staff, balanced with our specific needs as a growing and changing charity. 1 staff member is registered as disabled (2022: nil).

We are actively looking for diversity of input to better inform the decisions of the Board. In terms of gender diversity, as well as having a female CEO, and by the end of the year 42.9% (2022: 37.5%) of our trustees are women. Over time, as we become more established, we expect to see a continuous improvement in the wider areas of equality, diversity and inclusion.

We have adopted a hybrid working policy of some days in the office and some working from home, which has been welcomed by our staff, and has assisted with recruitment by increasing the attractiveness of working with us and broadening the availability of experienced candidates.

The trustees would like to thank our volunteers who support our day-to-day activities, and the members of our three advisory boards who also give their time voluntarily to bring their industry experience to bear in supporting the development of our strategy and the pursuit of our objectives.

## Pay Policy for Senior Staff

The trustees consider that the Board and the senior management team comprise the key management personnel of Pennies responsible for directing, controlling, and running it on a day-to-day basis.

All trustees give their time freely and no trustee received remuneration in the year.

Senior staff pay is reviewed annually. Wherever possible, we benchmark salaries paid for comparable roles in the charitable sector adjusting for any additional responsibilities.

## Pensions and Other Benefits

We have a workplace pension scheme and make the minimum statutory contributions for all enrolled employees. Also 4 employees have employer pension contributions paid by us as part of a salary sacrifice scheme (2022: 1).

There were no additional benefits provided to staff in the year.

## Risk Management

The Board recognises its responsibilities for ensuring that an appropriate framework is in place to identify, monitor and mitigate risks to our objectives and has accordingly adopted a Risk Management Policy. The risk management register is reviewed at least annually by the Board and any issues which could impact the Charity, including any reputational implications, are raised and discussed by the Trustees at meetings during the year. The register identifies the major risks to which the Charity is exposed together with the actions and systems in place to mitigate or reduce the exposure to those risks.

The review carried out in 2023 identified that the key risks are:

1. Key person dependency - principally the unplanned exit or long-term absence of key members of the Pennies team who possess charity-critical abilities and knowledge. This is managed by maintaining an attractive remuneration and flexible working policy commensurate with Pennies' size and sector, sharing knowledge across the team, ensuring adequate notice periods are in place in employee contracts and the implementation of systems to centralise and store key contact data and communications.

2. Reliance on third party technology companies – this includes both those who have agreed to enable Pennies as a feature of their own product offering, as well as those who have developed and maintained our increasing range of Pennies' applications and products. This is managed by maintaining close relationships with these technology companies, having clear agreements in place, and with the assistance of members of the Advisory Boards who are senior industry figures.
3. Merchant failure – even though the Charity has not suffered a bad debt since it commenced operations, this is recognised as a key risk given the continuing challenging economic circumstances and the potentially high impact if a larger merchant partner was to suddenly fail coupled with an associated reputational risk to the Charity of such a failure. This is managed by credit checking new merchants before they join, maintaining a close relationship with all key merchants, and a focus on credit control.
4. Other micro-donation schemes – no entity has ownership of micro-donating and there are other propositions in the marketplace. Although we welcome any initiative that aligns with our objective to maximise charitable giving, too many disparate micro-donating schemes could start to impact on our operating model and poor executions could be confused with Pennies and inadvertently cause reputational damage. This is managed by promoting the value-add that the Charity brings to both technology partners and retailers through its expertise/support, and the CSR benefits we bring. We continue to develop the Pennies brand with consumers as a trusted and primary micro-donation organisation and transparent charity supporting the wider charity sector through the social impact we enable.

The systems of financial control are designed to provide a reasonable but not absolute level of effectiveness and include:

- an operational plan and annual budget;
- annual review of the risk management register;
- regular monitoring of actual results against budgets and forecasts; and
- delegation of authority to the Chief Executive for expenditure and committing the Charity within the agreed budgets.

During the year the trustees met 4 times (2022: 4) to review our progress and, where required, approve the following:

- reports from the executive team on progress against plans;
  - an annual budget and a number of reforecasts during the year;
  - the top-down risk profile for the Charity;
  - the evolving governance requirements and implications for the Charity; and
  - regular management accounts highlighting any variances from budget or reforecast.
- 

## Internal Controls

The trustees have overall responsibility for ensuring that we have in place appropriate financial and other systems and controls to provide assurance that we:

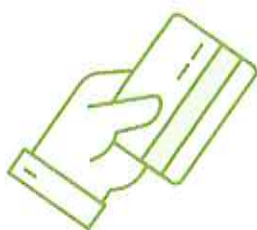
- operate efficiently and effectively;
- safeguard our assets against unauthorised use;
- maintain accurate financial and other records; and
- comply with relevant laws.

## Financial Review

Since launching in 2010 up to the end of 2023, consumer donations to Pennies have continued to grow substantially, having raised a total of £48.8m from over 200m consumer micro donations, from which we have made grants totalling £45.1m to more than 950 charities across a breadth of causes, and retained £3.7m for our own charitable purposes.

The Statement of Financial Activities on page 17 shows total incoming resources of £9,386,831 (2022: £7,434,508) which is analysed in note 2 to the financial statements. This represents an increase of 26.3% compared to the previous year.

In 2023 income from Pennies donations increased to £8,743,583 (2022: £6,844,205), which represents an increase of 27.8% compared to the previous year. Income from companies, foundations and individuals also increased to £601,283 (2022: £551,159), which represents an increase of 9.1% compared to the previous year, the details of all of the above can be found in note 2 to the financial statements.



**200 million  
micro-donations  
reached in 2023**

We are extremely grateful for the generous donations from individuals, companies and charitable foundations that support the Charity and provide funding for our core costs. Over time, as Pennies grows, we aim to become self-sufficient from the small percentage of retained Pennies donations. In 2023 good progress was made in this area and by the end of the year 56% of annual operational expenditure (total expenditure less grants payable and donated services and facilities) was covered by retained Pennies donations.

The Statement of Financial Activities shows total resources expended of £9,376,632 (2022: £7,558,111) which is analysed in note 3 to the financial statements. This represents an increase of 24.1% compared to last year largely due to an increase in grants payable. Of the resources expended, £8,994,180 (2022: £7,216,251) was spent directly on charitable activities, the majority in the form of grants to other charities, £284,227 (2022: £247,472) was spent supporting charitable activities, and £98,224 (2022: £94,388) was spent on governance.



**37%**  
**increase in  
volume of  
donations**

**27.8%**

**increase in income in 2023**

At the balance sheet date, we held funds of £1,397,956 (2022: £1,387,757), all of which (2022: £1,387,757) is unrestricted and available for general use.

All cash funds are held at our bankers (HSBC), either in a current account or in an interest-bearing deposit account with instant withdrawal.

### Investment Policy

Our investment policy is to retain funds in a liquid form to facilitate meeting the costs incurred in the furtherance of our objectives and to enable us to make timely grant payments to nominated and approved charities. Our funds are therefore either held in a current account or in liquid interest-bearing bank deposit accounts with our bankers, HSBC. The trustees keep the policy under review to ensure it remains appropriate in light of the expected growth of our income in the short to medium term.

## Reserves Policy and Going Concern

The trustees are aware of the requirement for charities to manage the level of reserves that they hold and to adopt a policy which determines the level of reserves which they believe would be appropriate to maintain.

At the end of the year the balance of unrestricted funds held was constant with the previous year at £1.39m, and within the target level to maintain a general reserve of unrestricted funds equal to at least nine months' operational expenditure on a forward looking basis.

The trustees have considered the current level of reserves, and the evident sustainability of the Pennies model. They have also reviewed available liquid resources in the context of the operating and spending plans over the next 18-month period, together with the ability to raise further funds or curtail spending if required. Based on these considerations, the trustees believe that we have sufficient financial resources to continue in operational existence for the foreseeable future and that we are well placed to manage our operating risks successfully.

The trustees have therefore continued to adopt the going concern basis of accounting in preparing the annual financial statements. There is no material uncertainty about our ability to continue as a going concern.

## Grant Making Policy

The Board has full responsibility for the distribution of all funds under its management.

Recognising the important role of merchants and payment service providers in enabling us to raise money and make grant payments to other charities, the trustees invite them as appropriate to nominate charities to benefit from a major proportion of the funds they raise, provided that the nominees comply with our overall criteria and on-going requirements. These always include complying with applicable legislation and the provision of impact information in respect of the grants.

All grants made by us are to charities registered with the Charity Commission for England and Wales or the equivalent in Scotland, Northern Ireland, the Republic of Ireland, Jersey, or the Isle of Man. The aims of the charities must fall within, or be analogous to, the descriptions of charitable purposes as set out in the Charities Act 2011 and they must be able to demonstrate public benefit as defined by the Charity Commission of England and Wales.

Funding is not available to individuals or unregistered bodies, and we will not support charities having the principal objective of the advancement of religion or political activism.

Charities delivering a wide range of services, across a breadth of causes, were supported during the year. Our website (<https://pennies.org.uk/>) has information about the charities that we have supported and continues to support. Note 4 to the accounts also gives details of all charities that received a grant in excess of £5,000 during the year or previous year.

We require all the benefitting charities, on request, to provide representative information about how grants are used and the difference they make to their beneficiaries. The information is published on our website and also regularly disseminated using social and other media.

This includes working with benefitting charities who themselves are grant makers to understand and monitor how Pennies' grants have been used in the furtherance of their objectives. Further information is available in the published accounts of the benefitting charities.

## Achievement and Performance

Good progress was made in the following areas during the year:

- We raised £8.7m from 38.4m Pennies donations which represents a significant increase of 27.8% in value, and a record breaking increase of 37% in volume, over 2022 as more people than ever make a donation to Pennies.
- We saw Pennies donations grow in value by 350%, and in volume by 477%, in the Republic of Ireland due to launching with Dealz, owned by Poundland in the UK who are also a Pennies' partner.
- We supported 324 charities, more than twice as many as in 2022, bringing the total since launch to over 950, and the value of grants paid or payable to charities grew by 27.5%.
- We launched Pennies with 25 new merchants in 2023, equalling the record set in 2022.

**950**  
**charities**  
**supported since launch**

**324 charities** in 2023 alone



## Strategy and Plans for Future Periods

In the continuing challenging economic times, in particular for the retail and hospitality sector which are critical sectors for the Charity, we will continue to do what we can to support our partners and respond to inevitable changes across retail, hospitality and payments. We will be focused on working with our merchant partners to increase donation conversion rates amongst their customers being offered the opportunity to donate.

We are also focused on growing Pennies donations by implementing the Pennies donation option with new merchants, in more sectors and in more channels, with a continued focus on e-commerce, given the availability of our cartridges which make it very easy for an e-commerce merchant to implement Pennies.

Overall, our continual aim is to grow Pennies micro-donations significantly over the coming years as more and more consumers are offered the option to donate, and more do so as awareness builds of the resulting positive social impact.

Increasingly our partners are asking for an international Pennies solution and in preparation we were delighted to sign in 2024 a partnership agreement with the King Baudouin Foundation, based in Belgium, with whom we are exploring a number of international territories where our current partners are active and interested in supporting charities with Pennies in each country where they operate.

Over the longer term we are aiming, and are on track, to fully cover our core costs from a small percentage of the Pennies donations. Until we reach that point, we will continue to seek funding from foundations, individuals and other organisations for core costs not yet fully covered by retained Pennies donations.

## Related Parties

Related Party transactions are disclosed in Note 8 to the financial statements.



**Scan to watch CEO Alison  
Hutchinson's address from the  
Pennies Autumn Celebration 2023.**

## Statement of Trustees' Responsibilities

The trustees (who are also directors of The Pennies Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally 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 incoming resources and application of resources, including 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 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 proper 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 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 auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

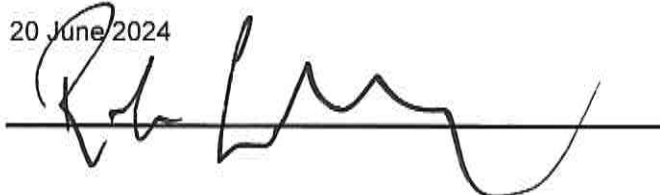
Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the special provisions relating to small companies set out in Statutory Instrument 2008/409 under the Companies Act 2006.

Signed on behalf of the Board of Trustees

**Robert Leitão**  
Chair

20 June 2024

A handwritten signature in black ink, appearing to read 'Robert Leitão', is written over a horizontal line.

# Independent auditor's report to the Members of The Pennies Foundation

## Opinion

We have audited the financial statements of The Pennies Foundation (the 'charitable company') for the year ended 31 December 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

- In our opinion the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

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

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

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

## Other information

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

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

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

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

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

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

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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; 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 from the requirement to prepare a Strategic Report or in preparing Trustees' Report.

## Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 12 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are

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

The extent to which the audit was considered capable of detecting irregularities, including fraud irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the charitable company operates in and how the charitable company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might

occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents, inspecting non-routine correspondence with local tax authorities and evaluating advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to Fundraising Regulations and the Code of Fundraising Practice. We performed audit procedures to inquire of management whether the charitable company is in compliance with these laws and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates.

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

## Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other

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

RSM UK Audit LLP

### **HANNAH CATCHPOOL (Senior Statutory Auditor)**

For and on behalf of  
RSM UK AUDIT LLP, Statutory Auditor  
Chartered Accountants  
25 Farringdon Street  
London  
EC4A 4AB

Date

26<sup>th</sup> June 2024

## The Pennies Foundation

### Statement of Financial Activities (incorporating an income and expenditure account) For the year ended 31 December 2023

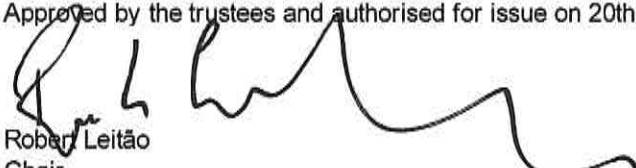
|  | Note  | Unrestricted<br>£ | Restricted<br>£  | 2023<br>Total<br>£ | Unrestricted<br>£ | Restricted<br>£  | 2022<br>Total<br>£ |
|--|-------|-------------------|------------------|--------------------|-------------------|------------------|--------------------|
| <b>Income from:</b>                          |       |                   |                  |                    |                   |                  |                    |
| Donations                                    | 2, 19 | 1,362,126         | 8,007,922        | <b>9,370,048</b>   | 1,144,291         | 6,287,984        | 7,432,275          |
| Investments                                  | 2     | 16,783            | -                | <b>16,783</b>      | 2,233             | -                | 2,233              |
| <b>Total income</b>                          |       | <b>1,378,909</b>  | <b>8,007,922</b> | <b>9,386,831</b>   | <b>1,146,524</b>  | <b>6,287,984</b> | <b>7,434,508</b>   |
| <b>Expenditure on:</b>                       |       |                   |                  |                    |                   |                  |                    |
| Charitable activities                        | 3, 19 | 1,368,710         | 8,007,922        | <b>9,376,632</b>   | 1,270,127         | 6,287,984        | 7,558,111          |
| <b>Total expenditure</b>                     |       | <b>1,368,710</b>  | <b>8,007,922</b> | <b>9,376,632</b>   | <b>1,270,127</b>  | <b>6,287,984</b> | <b>7,558,111</b>   |
| <b>Net income/(expenditure) for the year</b> | 5     | 10,199            | -                | <b>10,199</b>      | (123,603)         | -                | (123,603)          |
| Transfers between funds                      |       | -                 | -                | -                  | 45,944            | (45,944)         | -                  |
| <b>Net movement in funds</b>                 |       | 10,199            | -                | <b>10,199</b>      | (77,659)          | (45,944)         | (123,603)          |
| <b>Reconciliation of funds:</b>              |       |                   |                  |                    |                   |                  |                    |
| Total funds brought forward                  | 17a   | 1,387,757         | -                | <b>1,387,757</b>   | 1,465,416         | 45,944           | 1,511,360          |
| <b>Total funds carried forward</b>           |       | <b>1,397,956</b>  | <b>-</b>         | <b>1,397,956</b>   | <b>1,387,757</b>  | <b>-</b>         | <b>1,387,757</b>   |


All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17a to the financial statements.

|  | Note | £                | 2023<br>£        | £                | 2022<br>£        |
|--|------|------------------|------------------|------------------|------------------|
| <b>Fixed assets:</b>                           |      |                  |                  |                  |                  |
| Intangible assets                              | 10   |                  | 125,132          |                  | 88,197           |
| Tangible assets                                | 11   |                  | 52,002           |                  | 63,699           |
| Investments                                    | 12   |                  | 1                |                  | 1                |
|  |      |                  | <u>177,135</u>   |                  | <u>151,897</u>   |
| <b>Current assets:</b>                         |      |                  |                  |                  |                  |
| Debtors  | 14   | 1,043,527        |                  | 1,001,425        |                  |
| Cash at bank and in hand                       |      | 2,192,610        |                  | 2,077,178        |                  |
|  |      | <u>3,236,137</u> |                  | <u>3,078,603</u> |                  |
| <b>Liabilities:</b>                            |      |                  |                  |                  |                  |
| Creditors: amounts falling due within one year | 15   | (2,015,316)      |                  | (1,842,743)      |                  |
| <b>Net current assets</b>                      |      |                  | <u>1,220,821</u> |                  | <u>1,235,860</u> |
| <b>Total assets less current liabilities</b>   |      |                  | <u>1,397,956</u> |                  | <u>1,387,757</u> |
| <b>Total net assets</b>                        |      |                  | <u>1,397,956</u> |                  | <u>1,387,757</u> |
| <b>The funds of the charity:</b>               |      |                  |                  |                  |                  |
| Unrestricted income funds:                     |      |                  |                  |                  |                  |
| General funds                                  | 16   | 1,397,956        |                  | 1,387,757        |                  |
| Total unrestricted funds                       |      |                  | <u>1,397,956</u> |                  | <u>1,387,757</u> |
| <b>Total charity funds</b>                     |      |                  | <u>1,397,956</u> |                  | <u>1,387,757</u> |

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

Approved by the trustees and authorised for issue on 20th June 2024 and signed on their behalf by

  
Robert Leitão  
Chair

  
Graham Edwards  
Audit Committee Chair

## The Pennies Foundation

### Statement of Cash Flows for the year ended 31 December 2023

|   | Note | £        | 2023<br>£        | £        | 2022<br>£        |
|---|------|----------|------------------|----------|------------------|
| <b>Cash flows from operating activities</b>             | 18   |          | 185,875          |          | 231,024          |
| <b>Cash flows from investing activities:</b>            |      |          |                  |          |                  |
| Interest income   |      | 16,783   |                  | 2,233    |                  |
| Purchase of intangible fixed assets                     |      | (80,588) |                  | (30,949) |                  |
| Purchase of tangible fixed assets                       |      | (6,639)  |                  | (3,825)  |                  |
| <b>Net cash (used in) investing activities</b>          |      |          | <u>(70,443)</u>  |          | <u>(32,541)</u>  |
| <b>Change in cash and cash equivalents in the year</b>  |      |          | 115,432          |          | 198,483          |
| Cash and cash equivalents at the beginning of the year  |      |          | <u>2,077,178</u> |          | <u>1,878,695</u> |
| <b>Cash and cash equivalents at the end of the year</b> |      |          | <u>2,192,610</u> |          | <u>2,077,178</u> |

### 1 Accounting policies

#### a) Statutory information

The Pennies Foundation is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is First Floor, 64 London Wall, London, EC2M 5TP

#### b) Basis of preparation

The financial statements have been prepared in accordance with 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) - (Charities SORP FRS 102), and the Companies Act 2006.

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

The Charity has a wholly owned subsidiary, Your Penny Limited, which has not traded since incorporation in 2009 and therefore consolidated accounts have not been prepared on the basis of materiality.

The Charity is a company limited by guarantee. The trustees are also members of the company, a register of which is held at the Charity's business address. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

The financial statements are presented in GBP pounds sterling (£), which is the functional currency of the Charity, and all values are rounded to the nearest £, except where indicated.

#### c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

#### d) Going concern

The trustees have considered the current level of reserves, and the evident sustainability of the Pennies model as demonstrated by the resilience in donation levels in 2023, and have reviewed available liquid resources in the context of the operating and spending plans over the 18 month period to June 2024, together with the ability to raise further funds or curtail spending if required.

Based on these considerations, the trustees believe that we have sufficient financial resources to continue in operational existence for the foreseeable future and that we are well placed to manage our operating risks successfully. The trustees have therefore continued to adopt the going concern basis of accounting in preparing the annual financial statements.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

#### e) Donation and grant income

Donation income is included in the Statement of Financial Activities when the Charity becomes entitled to the resources, the receipt is probable, and the donation is measurable. Gift aid is included based on amounts recoverable at the accounting date.

Grant income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

#### f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the Charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised but the trustees' annual report has more information about their contribution on page 8.

Donated gifts, professional services and donated facilities are recognised upon receipt on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

### 1 Accounting policies (continued)

#### g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

#### h) Fund accounting

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

Unrestricted funds are donations and other incoming resources which are available for use at the discretion of the trustees in furtherance of the general objects of the Charity and which have not been designated for a specific purpose.

#### i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure on charitable activities includes the costs of encouraging and facilitating charitable giving using technology supporting microgiving at the point of sale with retail partners, undertaken to further the purposes of the Charity and its associated support and governance costs.

The Charity does not make VAT related supplies and is unable to recover VAT. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

#### j) Grants payable

Grants payable are made to other charities in furtherance of the Charity's objects. Grants are accounted for when the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition.

#### k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and administration of each activity, comprising salary and overhead costs, is apportioned on the basis of estimated staff time of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities.

#### l) Operating leases

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

#### m) Fixed assets

Both tangible and intangible assets with a cost in excess of £500 are capitalised. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Assets under construction are not depreciated and comprise expenditure on the purchase, creation or enhancement of tangible or intangible assets not brought into use at the Balance Sheet date. Transfers are made from assets under construction to the relevant category of asset when the asset is brought into use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

##### Tangible assets

|                               |                            |
|-------------------------------|----------------------------|
| Leasehold Improvements        | Over the life of the lease |
| Office furniture              | 8 years                    |
| Computer and office equipment | 3 years                    |

##### Intangible assets

|                         |         |
|-------------------------|---------|
| Systems software        | 5 years |
| Other computer software | 3 years |

### 1 Accounting policies (continued)

#### n) Investments in subsidiaries

Investment in the Charity's subsidiary company, Your Penny Limited, is valued at cost less a provision for impairment. See note 12 for more information.

#### o) Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income is recognised within debtors dependent on when it is anticipated that this is receivable.

#### p) Cash at bank and in hand

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.

#### q) Foreign Currencies

Foreign currency balances (Euros) have been translated at the rate of exchange ruling at the balance sheet date into sterling. Income and expenditure transactions incurred in foreign currency have been translated during the course of the period at the rate of exchange ruling at the time of the transaction.

#### r) Creditors and provisions

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 trade discounts due.

#### s) Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised at transaction value and subsequently measured at their settlement value.

#### t) Employee Benefits - termination payments

Termination benefits are amounts payable as a result of a decision by the Charity to terminate an individual's employment before the normal retirement date, or an individual's decision to accept voluntary redundancy, and are accounted for on an accruals basis when the Charity is demonstrably committed to the termination of the employment of an individual or group of individuals. The termination benefits for the accounting period are treated as an expense and were £nil (2022: £1,713).

#### u) Pensions

The Charity has a workplace pension money purchase scheme for employees operated by The People's Pension. Employees are automatically enrolled into this scheme unless they have exercised their right to opt out of scheme membership. Employees joining the scheme contract directly with The People's Pension. The Charity makes a contribution of 3% of salary (2022: 3%) and acts as an agent in collecting and paying over contributions. The contributions for the accounting period are treated as an expense and were £28,263 (2022: £11,118). There were no contributions owing at the year end (2022: £nil).

#### v) Judgements in applying accounting policies and key sources of estimation uncertainty

The trustees have reviewed the accounts and believe there to be no material judgements applied in or estimation uncertainty included in the financial statements.

# The Pennies Foundation

## Notes to the Financial Statements for the year ended 31 December 2023

### 2 Analysis of incoming resources

|   | Unrestricted<br>£ | Restricted<br>£  | 2023 Total<br>£  | 2022 Total<br>£  |
|---|-------------------|------------------|------------------|------------------|
| <b>Voluntary Income</b>                             |                   |                  |                  |                  |
| Consumer donations to Pennies ("Pennies donations") | 765,661           | 7,977,922        | <b>8,743,583</b> | 6,844,205        |
| <b>Corporates and Foundations</b>                   |                   |                  |                  |                  |
| Oak Foundation                                      | 250,000           | -                | <b>250,000</b>   | 400,000          |
| Other donations                                     | 321,283           | 30,000           | <b>351,283</b>   | 151,159          |
| Gift aid received                                   | -                 | -                | -                | 200              |
| <b>Donated services</b>                             |                   |                  |                  |                  |
| Marketing services                                  | 2,800             | -                | <b>2,800</b>     | 13,000           |
| Other services                                      | 18,182            | -                | <b>18,182</b>    | 1,609            |
| Computer software licences                          | 4,200             | -                | <b>4,200</b>     | 22,102           |
|   | <b>1,362,126</b>  | <b>8,007,922</b> | <b>9,370,048</b> | <b>7,432,275</b> |
| <b>Investment Income</b>                            |                   |                  |                  |                  |
| Bank interest                                       | 16,783            | -                | <b>16,783</b>    | 2,233            |
|   | <b>1,378,909</b>  | <b>8,007,922</b> | <b>9,386,831</b> | <b>7,434,508</b> |

Pennies donations consist of micro donations made by members of the public via Pennies, the digital charity box.

The trustees have agreed to grant a proportion of Pennies donations to charities registered with the Charity Commission for England and Wales or the equivalent in Scotland, Northern Ireland, the Republic of Ireland, or the Isle of Man, that have been nominated by retailers which offer their customers the opportunity to donate via Pennies. This proportion of Pennies donations is treated as restricted income. All other Pennies donations are unrestricted.

During the year, the Charity collected £318,587 (2022: £79,652) of income from donations in the Republic of Ireland, and £42,054 (2022: £41,883) of income from donations in Jersey. Income from donations in the Isle of Man is disclosed in note 19 to the financial statements.

### 3 Analysis of expenditure

|                               | Direct Charitable<br>Activities<br>£ | Support<br>Costs<br>£ | Governance<br>costs<br>£ | 2023 Total<br>£  | 2022 Total<br>£  |
|-------------------------------|--------------------------------------|-----------------------|--------------------------|------------------|------------------|
| Grants payable (note 4)       | 7,977,922                            | -                     | -                        | <b>7,977,922</b> | 6,257,984        |
| Staff costs (Note 6)          | 772,401                              | 214,232               | 44,642                   | <b>1,031,275</b> | 943,716          |
| Office costs                  | 170,165                              | 47,613                | 9,928                    | <b>227,706</b>   | 198,573          |
| Marketing                     | 60,153                               | -                     | -                        | <b>60,153</b>    | 47,975           |
| Auditors remuneration         | -                                    | -                     | 34,264                   | <b>34,264</b>    | 31,740           |
| Insurance                     | -                                    | -                     | 7,190                    | <b>7,190</b>     | 5,622            |
| Legal fees                    | -                                    | -                     | 2,200                    | <b>2,200</b>     | 18,609           |
| Consultancy fees              | 10,068                               | -                     | -                        | <b>10,068</b>    | 16,703           |
| Volunteer expenses            | 672                                  | -                     | -                        | <b>672</b>       | 478              |
| Donated services & facilities | 2,800                                | 22,382                | -                        | <b>25,182</b>    | 36,711           |
| <b>Total expenditure 2023</b> | <b>8,994,181</b>                     | <b>284,227</b>        | <b>98,224</b>            | <b>9,376,632</b> | <b>7,558,111</b> |
| <b>Total expenditure 2022</b> | <b>7,216,251</b>                     | <b>247,472</b>        | <b>94,388</b>            | <b>7,558,111</b> |                  |

Of the total expenditure, £1,343,527 was unrestricted (2022: £1,270,127) and £8,007,922 was restricted (2022: £6,257,984). Expenditure incurred in the Isle of Man is disclosed in note 19 to the financial statements.

Expenditure on charitable activities includes costs of:

- facilitating micro-donation using the Pennies digital charity box when consumers pay for goods and services in store, on line and using mobile devices;
- administering the collection of Pennies donations and the disbursement to charities of Pennies grants; and
- promoting the micro donation movement for the charity sector as a whole and specifically publicising the social impact of the Pennies donations.

# The Pennies Foundation

## Notes to the Financial Statements for the year ended 31 December 2023

### 4 Grant making

The following grants to charities were payable to institutions during the year:

|  | 2023             | 2022             |
|--|------------------|------------------|
|  | £                | £                |
| Action Against Hunger                            | 11,209           | 27,286           |
| Action Aid                                       | 12,932           | 7,803            |
| Age UK   | 52,187           | 123,773          |
| Alzheimer's Society                              | 190,850          | 145,669          |
| ANDYSMANCLUB                                     | 15,777           | -                |
| Association of Air Ambulances                    | 12,651           | -                |
| Aston Villa Foundation                           | 5,008            | 2,246            |
| Bags for Strife                                  | 15,244           | -                |
| Barnardo's                                       | -                | 11,348           |
| Barretstown                                      | 224,863          | 27,384           |
| BBC Children in Need                             | 7,685            | -                |
| BEN Motor and Allied Trades Benevolent Fund      | 6,964            | 5,858            |
| Birmingham Children's Hospital Charity           | 66,864           | 86,461           |
| Bloodwise  | -                | 17,832           |
| Blue Cross                                       | 38,746           | 29,931           |
| BMC Access and Conservation Trust                | 34,215           | -                |
| British Heart Foundation                         | 90,606           | 102,307          |
| British Paralympic Association                   | 3,188            | 7,539            |
| Cancer Research UK                               | 146,820          | 16               |
| CATT's (Cancer Awareness for Teens and Twenties) | -                | 6,391            |
| Children On The Edge                             | 12,397           | 35,623           |
| Choose Love (Prism the Gift Fund)                | 50,781           | 16,063           |
| Conservation International                       | 9,375            | 13,560           |
| Crisis UK  | 341              | 12,346           |
| Cure Leukaemia                                   | 51,044           | -                |
| Dementia Adventure                               | 5,943            | 1,295            |
| Dementia UK                                      | 171,314          | -                |
| Disasters Emergency Committee                    | 14,993           | 362,845          |
| Dove House Hospice                               | 13,160           | 751              |
| FatFace Foundation                               | 5,283            | -                |
| Fight for Peace International                    | -                | 29,349           |
| Glasgow Children's Hospital Charity              | 33,079           | 36,881           |
| Grace House North East                           | -                | 5,053            |
| Great Ormond Street Hospital Children's Charity  | 163,421          | 205,932          |
| Greenfingers Charity                             | 7,723            | 2,600            |
| Heartbeat North West Cardiac Care                | 14,503           | -                |
| Hendy Foundation                                 | 12,251           | 14,688           |
| Home-Start UK                                    | 40,292           | 5,863            |
| HoneyRose Foundation                             | 8,586            | -                |
| Hospice UK                                       | -                | 42,269           |
| icandance  | -                | 42,587           |
| Ilkley and District Good Neighbours              | 8,426            | -                |
| Isle of Play                                     | 4,456            | 5,772            |
| Jersey Children's Charity                        | 6,729            | 7,607            |
| Kent Wildlife Trust                              | 3,892            | 8,282            |
| Learning Foundation                              | 210,627          | 163,832          |
| Leeds Cares                                      | 14,695           | 19,309           |
| Macmillan Cancer Support                         | 1,187,543        | 804,317          |
| Macmillan Cancer Support Jersey                  | 21,664           | 21,148           |
| Maggie Keswick Jencks Cancer Caring              | 86,165           | 64,022           |
| Mental Health Foundation                         | 51,226           | 64,150           |
| MIND (National Association for Mental Health)    | 109,960          | 67,991           |
| Moto in the Community                            | 135,028          | 92,057           |
| My Canine Companion                              | 64,500           | 40,407           |
| <b>Sub total</b>                                 | <b>3,455,206</b> | <b>2,788,443</b> |

# The Pennies Foundation

## Notes to the Financial Statements for the year ended 31 December 2023

|  |                  |                  |
|--|------------------|------------------|
| <i>carried forward from previous page</i>  | <b>3,455,206</b> | <b>2,788,443</b> |
| National Deaf Children's Society   | <b>24,138</b>    | -                |
| Newcastle upon Tyne Hospitals NHS Charity  | <b>4,607</b>     | 5,993            |
| NHS Charities Together   | <b>5,138</b>     | 5,272            |
| Noah's Ark Children's Hospital Charity   | <b>12,515</b>    | 15,532           |
| North West Air Ambulance Charity   | <b>46,512</b>    | -                |
| North Yorkshire Hospice Care   | <b>6,189</b>     | -                |
| Northern Ireland Hospice   | <b>28,241</b>    | 28,389           |
| OneSight EssilorLuxottica Foundation   | <b>42,071</b>    | -                |
| Papyrus Prevention of Young Suicide  | <b>5,000</b>     | 12,019           |
| Poundland Foundation   | <b>1,050,098</b> | 133,422          |
| Prevent Breast Cancer  | <b>14,410</b>    | -                |
| Prostate Cancer UK   | <b>50,322</b>    | 26,845           |
| Rays of Sunshine   | <b>60,000</b>    | 25,000           |
| Royal Marines Association - The Royal Marines Charity  | -                | 30,062           |
| Royal Society of Wildlife Trusts   | <b>1,357</b>     | 35,813           |
| Save the Children Fund   | <b>71,580</b>    | 73,303           |
| Scottish Mountain Rescue   | -                | 7,165            |
| Shelter  | <b>28,593</b>    | -                |
| Spadework  | <b>5,374</b>     | 726              |
| Special Olympics GB  | <b>53,589</b>    | 176,415          |
| Spread a Smile   | <b>15,146</b>    | 21,893           |
| Target Ovarian Cancer  | <b>30,771</b>    | -                |
| Teenage Cancer Trust   | <b>681,703</b>   | 665,838          |
| Teens Unite Fighting Cancer  | -                | 11,465           |
| The Adnams Community Trust   | <b>4,791</b>     | 6,750            |
| The Alder Hey Children's Charity   | <b>66,864</b>    | 86,327           |
| The Brain Tumour Charity   | <b>35,763</b>    | -                |
| The Childhood Trust  | <b>541</b>       | 12,507           |
| The Children's Hospital Charity  | <b>13,095</b>    | 18,157           |
| The English Heritage Trust   | <b>49,428</b>    | 17,679           |
| The Guide Dogs for the Blind Association   | <b>9,439</b>     | 2,600            |
| The JD Foundation  | <b>542,201</b>   | 317,278          |
| The National Society for the Prevention of Cruelty to Children   | <b>5,049</b>     | 125,522          |
| The National Trust   | -                | 24,965           |
| The Prince's Trust   | <b>15,407</b>    | 61,782           |
| The Ramblers' Association  | <b>38,166</b>    | -                |
| The Royal Marsden Cancer Charity   | -                | 59,075           |
| The Screwfix Foundation  | <b>624,793</b>   | 835,640          |
| The Trussell Trust   | <b>29,431</b>    | 1,937            |
| Together for Short Lives   | <b>94,404</b>    | 118,711          |
| Twycross Zoo - East Midland Zoological Society Ltd   | <b>4,148</b>     | 6,012            |
| United Kingdom for UNHCR   | <b>7,480</b>     | 28,711           |
| Uttlesford Food Bank   | <b>5,037</b>     | -                |
| Walking With The Wounded   | <b>5,022</b>     | 1,562            |
| Wallace & Gromit's Children's Foundation   | <b>66,864</b>    | 86,239           |
| Wilderness Foundation UK   | <b>49,352</b>    | 61,530           |
| Wolverhampton Wanderers Foundation   | <b>684</b>       | 5,895            |
| YHA England & Wales  | <b>6,302</b>     | 2,371            |
| Yorkshire Wildlife Park Foundation   | <b>8,665</b>     | -                |
| Young Epilepsy   | <b>53,945</b>    | -                |
| Young Lives vs Cancer  | <b>33,581</b>    | 38,345           |
| Movement in grants payable on accrued donations or donations received and awaiting a grant nomination as at the year end | <b>123,998</b>   | 84,496           |
| Other grants equal to or less than £5,000  | <b>390,912</b>   | 190,298          |
| <b>Total grants payable</b>  | <b>7,977,922</b> | <b>6,257,984</b> |

The Trustees Report provides more information relating to the Charity's grant making policy.

Grants payable includes a commitment of £1,894,456 (2022: £1,639,867) for grants paid to charities after the year end.

### 4 Grant making (continued)

Of the income collected in the Republic of Ireland (see note 2), the following grants to charities were payable to institutions during the year:

|   | 2023           | 2022          |
|---|----------------|---------------|
|   | £              | £             |
| Barretstown                               | 224,863        | 27,384        |
| My Canine Companion                       | 64,500         | 40,407        |
| Other grants equal to or less than £5,000 | 529            | 4,714         |
| <b>Total grants payable</b>               | <b>289,892</b> | <b>72,505</b> |

Of the income collected in Jersey (see note 2), the following grants to charities were payable to institutions during the year:

|   | 2023          | 2022          |
|---|---------------|---------------|
|   | £             | £             |
| Jersey Children's Charity                 | 6,729         | 7,607         |
| Macmillan Cancer Support Jersey           | 21,664        | 21,148        |
| Other grants equal to or less than £5,000 | 10,141        | 8,404         |
| <b>Total grants payable</b>               | <b>38,534</b> | <b>37,159</b> |

Grants payable from income collected in the Isle of Man is disclosed in note 19 to the financial statements.

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

This is stated after charging:

|   | 2023   | 2022   |
|---|--------|--------|
|   | £      | £      |
| Depreciation of tangible fixed assets   | 18,335 | 17,504 |
| Amortisation of intangible fixed assets | 43,653 | 39,702 |
| Operating lease rentals:                |        |        |
| Property                                | 41,010 | 39,716 |
| Other                                   | 300    | 798    |
| Auditors' remuneration (including VAT): |        |        |
| Audit fees                              | 34,268 | 31,740 |

### 6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

|   | 2023             | 2022           |
|---|------------------|----------------|
|   | £                | £              |
| Salaries and wages  | 854,239          | 786,572        |
| Social security costs   | 87,267           | 86,720         |
| Employer's contribution to defined contribution pension schemes | 79,323           | 53,494         |
| Staff Recruitment costs   | 7,349            | 12,512         |
| Other staff costs   | 3,097            | 4,418          |
| <b>Total</b>  | <b>1,031,275</b> | <b>943,716</b> |

The following number of employees received employee benefits of over £60,000 (excluding employer pension costs) during the year in the following ranges:

|                    | 2023 | 2022 |
|--------------------|------|------|
|                    | No.  | No.  |
| £60,001 - £70,000  | 1    | 1    |
| £70,001 - £80,000  | 1    | 2    |
| £80,001 - £90,000  | -    | 1    |
| £90,001 - £100,000 | 1    | -    |

**6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (continued)**

The total employee benefits of the key management personnel were as follows:

|   | 2023<br>£      | 2022<br>£      |
|---|----------------|----------------|
| Salaries and wages  | 225,488        | 201,854        |
| Social security costs   | 26,283         | 25,400         |
| Employer's contribution to defined contribution pension schemes | 55,151         | 41,321         |
|   | <b>306,922</b> | <b>268,575</b> |

The Charity trustees were neither paid nor received any other benefits from the Charity in the year (2022: £nil). No Charity trustee received payment for professional or other services supplied to the Charity (2022: £nil).

The Charity trustees were neither paid nor received any expenses from the Charity in the year (2022: £nil). During the year and, up to the date of approval of the Trustees' report, there was a qualifying third-party indemnity in place for directors, as allowed by Section 234 of the Companies Act 2006.

**7 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was 18 (2022: 17).

Staff are split across the activities of the charitable company as follows (full time equivalent basis):

|                       | 2023<br>No. | 2022<br>No. |
|-----------------------|-------------|-------------|
| Charitable Activities | 13          | 12          |
| Support & Governance  | 5           | 5           |
|                       | <b>18</b>   | <b>17</b>   |

**8 Related party transactions**

Alison Hutchinson, the CEO of the Charity, is a non-executive director of the retailer DFS Furniture plc which owns Sofology Limited. During the year Sofology Limited supported the Charity by enabling Pennies in its stores collecting £53,883 (2022: £63,839) for UK charities. At the end of the year Sofology Limited owed the Charity £299 (2022: £6,567) for donations collected on its behalf.

Robert Leitão, a trustee, is a managing partner at Rothschild & Co. During the year the Charity paid Rothschild & Co £16,094 (2022: £9,286) for hosting the Charity's annual event for over 200 people and providing audio and video production facilities. In addition Rothschild & Co supported the Charity by providing the function room for the annual event, and occasional meeting rooms during the year, valued in total at £2,982 (2022: £3,581) on a pro bono basis.

Julian Taylor, a trustee, is a partner in the law firm of Simmons and Simmons which supported the Charity by providing legal advice valued at £17,980 (2022: £nil) on a pro bono basis.

Penny Lovell, a trustee, is a trustee of Prism The Gift Fund (charity registration 1099682). In 2023 the Charity granted £50,781 (2022: £16,063) to Prism The Gift Fund.

There was no bad or doubtful debts provision or expense from related parties.

**9 Taxation**

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

# The Pennies Foundation

## Notes to the Financial Statements for the year ended 31 December 2023

### 10 Intangible fixed assets

|                          | Under<br>construction<br>£ | Systems<br>software<br>£ | Other computer<br>software<br>£ | Total<br>£ |
|--------------------------|----------------------------|--------------------------|---------------------------------|------------|
| <b>Cost</b>              |                            |                          |                                 |            |
| At the start of the year | 25,260                     | 81,567                   | 179,040                         | 285,867    |
| Transfers                | (25,260)                   | 25,260                   | -                               | -          |
| Additions in year        | 12,449                     | 14,835                   | 53,304                          | 80,588     |
| At the end of the year   | 12,449                     | 121,662                  | 232,344                         | 366,455    |
| <b>Amortisation</b>      |                            |                          |                                 |            |
| At the start of the year | -                          | 34,518                   | 163,152                         | 197,670    |
| Charge for the year      | -                          | 27,168                   | 16,485                          | 43,653     |
| At the end of the year   | -                          | 61,686                   | 179,637                         | 241,323    |
| <b>Net book value</b>    |                            |                          |                                 |            |
| At the end of the year   | 12,449                     | 59,976                   | 52,707                          | 125,132    |
| At the start of the year | 25,260                     | 47,048                   | 15,889                          | 88,197     |

All of the above assets are used for charitable purposes.

Capital commitments as at 31 December 2023 totalled £4,950 (2022: £14,850)

### 11 Tangible fixed assets

|   | Leasehold<br>Improvements<br>£ | Office<br>Furniture<br>£ | Office &<br>Computer<br>equipment<br>£ | Total<br>£ |
|---|--------------------------------|--------------------------|--|------------|
| <b>Cost</b>                                   |                                |                          |  |            |
| At the start of the year                      | 82,822                         | 26,537                   | 30,688                                 | 140,047    |
| Additions in year                             | -                              | -                        | 6,639                                  | 6,639      |
| Disposals in year                             | -                              | -                        | (15,917)                               | (15,917)   |
| At the end of the year                        | 82,822                         | 26,537                   | 21,410                                 | 130,769    |
| <b>Depreciation</b>                           |                                |                          |  |            |
| At the start of the year                      | 38,711                         | 12,347                   | 25,290                                 | 76,348     |
| Charge for the year                           | 10,804                         | 3,461                    | 4,071                                  | 18,336     |
| Accumulated depreciation on disposals in year | -                              | -                        | (15,917)                               | (15,917)   |
| At the end of the year                        | 49,515                         | 15,808                   | 13,444                                 | 78,767     |
| <b>Net book value</b>                         |                                |                          |  |            |
| At the end of the year                        | 33,308                         | 10,729                   | 7,966                                  | 52,002     |
| At the start of the year                      | 44,111                         | 14,190                   | 5,398                                  | 63,699     |

All of the above assets are used for charitable purposes.

Both the amortisation and depreciation charge for the year are included in unrestricted expenditure on charitable activities in the Statement of Financial Activities

# The Pennies Foundation

## Notes to the Financial Statements for the year ended 31 December 2023

### 12. Investments

The Charity owns 100% of the issued shared capital of Your Penny Limited, a private limited company registered in England and Wales (registered number 6880306), being £1 share. The investment is valued at £1 (2022: £1) being £1 for the share capital. This is equal to the value of Your Penny Limited's reserves of £1. Your Penny Limited is a dormant company.

### 13. Financial and other commitments

At 31 December 2023 the Charity had total commitments under non-cancellable operating leases as detailed below:

|                    | Property       |                | Equipment    |              |
|--------------------|----------------|----------------|--------------|--------------|
|                    | 2023           | 2022           | 2023         | 2022         |
|                    | £              | £              | £            | £            |
| Less than one year | 46,420         | 73,868         | 600          | 600          |
| One to five years  | 205,686        | 301,628        | 650          | 1,250        |
|                    | <u>252,106</u> | <u>375,496</u> | <u>1,250</u> | <u>1,850</u> |

In 2019, the Charity entered a lease for office premises commencing on 24 May 2019 and expiring on 31 January 2027. In 2022 the office premises were sold and the new landlord has elected to charge VAT on the rent with effect from April 2022.

### 14. Debtors

|                  | 2023             | 2022             |
|------------------|------------------|------------------|
|                  | £                | £                |
| Donation debtors | 831,484          | 789,243          |
| Accrued income   | 150,234          | 132,952          |
| Prepayments      | 36,872           | 54,293           |
| Rent deposit     | 24,937           | 24,937           |
|                  | <u>1,043,527</u> | <u>1,001,425</u> |

Other debtors represent Pennies donations collected and invoiced but not yet paid to the Charity at the year end.

Accrued income represents Pennies donations collected but not yet invoiced at the year end. Included in Accrued Income is £nil (2022: £100,000) which represents a grant pledged in a prior year that was paid in 2023.

The rent deposit relates to the Charity's lease on office premises entered into in 2019, which will be held for more than one year.

### 15. Creditors: amounts falling due within one year

|                              | 2023             | 2022             |
|------------------------------|------------------|------------------|
|                              | £                | £                |
| Trade creditors              | 16,661           | 59,709           |
| Amounts due to subsidiary    | 1                | 1                |
| Taxation and social security | 24,450           | 26,532           |
| Grant accruals               | 1,894,456        | 1,639,867        |
| Other accruals               | 79,748           | 116,634          |
|                              | <u>2,015,316</u> | <u>1,842,743</u> |

# The Pennies Foundation

## Notes to the Financial Statements for the year ended 31 December 2023

### 16a Analysis of net assets between funds (current year)

|                                       | General<br>unrestricted<br>£ | Restricted<br>£ | Total funds<br>£ |
|---------------------------------------|------------------------------|-----------------|------------------|
| Intangible fixed assets               | 125,132                      | -               | 125,132          |
| Tangible fixed assets                 | 52,002                       | -               | 52,002           |
| Investments                           | 1                            | -               | 1                |
| Net current assets                    | 1,220,821                    | -               | 1,220,821        |
| <b>Net assets at 31 December 2023</b> | <b>1,397,956</b>             | <b>-</b>        | <b>1,397,956</b> |

### 16b Analysis of net assets between funds (prior year)

|                                       | General<br>unrestricted<br>£ | Restricted<br>£ | Total funds<br>£ |
|---------------------------------------|------------------------------|-----------------|------------------|
| Intangible fixed assets               | 88,197                       | -               | 88,197           |
| Tangible fixed assets                 | 63,699                       | -               | 63,699           |
| Investments                           | 1                            | -               | 1                |
| Net Current assets                    | 1,235,860                    | -               | 1,235,860        |
| <b>Net assets at 31 December 2022</b> | <b>1,387,757</b>             | <b>-</b>        | <b>1,387,757</b> |

### 17a Movements in funds (current year)

|                                 | At 1 January<br>2023<br>£ | Income &<br>gains<br>£ | Expenditure &<br>losses<br>£ | Transfers<br>in/(out)<br>£ | At 31<br>December<br>2023<br>£ |
|---------------------------------|---------------------------|------------------------|------------------------------|----------------------------|--------------------------------|
| <b>Restricted funds:</b>        |                           |                        |                              |                            |                                |
| Pennies donations               | -                         | 7,977,922              | (7,977,922)                  | -                          | -                              |
| Other restricted fund           | -                         | 30,000                 | (30,000)                     | -                          | -                              |
| <b>Total restricted funds</b>   | <b>-</b>                  | <b>8,007,922</b>       | <b>(8,007,922)</b>           | <b>-</b>                   | <b>-</b>                       |
| <b>General funds</b>            | <b>1,387,757</b>          | <b>1,378,909</b>       | <b>(1,368,710)</b>           | <b>-</b>                   | <b>1,397,956</b>               |
| <b>Total unrestricted funds</b> | <b>1,387,757</b>          | <b>1,378,909</b>       | <b>(1,368,710)</b>           | <b>-</b>                   | <b>1,397,956</b>               |
| <b>Total funds</b>              | <b>1,387,757</b>          | <b>9,386,831</b>       | <b>(9,376,632)</b>           | <b>-</b>                   | <b>1,397,956</b>               |

#### Purposes of restricted funds

##### Pennies Donations

The Pennies Donations restricted fund represents the proportion of Pennies donations which the trustees have agreed to grant to UK, Republic of Ireland, Isle of Man, or Jersey registered charities which have been nominated by retailers which offer their customers the opportunity to donate via the digital charity box. The proportion and the nominated charity are named at the point of donation. The movement in this fund is disclosed in note 4 to the financial statements.

##### Other restricted fund

The other restricted fund represents a donation in support of the Pennies annual event which was held in November 2023.

17b Movements in funds (prior year)

|                                 | At 1 January<br>2022<br>£ | Income &<br>gains<br>£ | Expenditure &<br>losses<br>£ | Transfers<br>in/(out)<br>£ | At 31<br>December<br>2022<br>£ |
|---------------------------------|---------------------------|------------------------|------------------------------|----------------------------|--------------------------------|
| <b>Restricted funds:</b>        |                           |                        |                              |                            |                                |
| Pennies donations               | -                         | 6,257,984              | (6,257,984)                  | -                          | -                              |
| CRM system fund                 | 45,944                    | -                      | -                            | (45,944)                   | -                              |
| Other restricted fund           | -                         | 30,000                 | (30,000)                     | -                          | -                              |
| <b>Total restricted funds</b>   | <b>45,944</b>             | <b>6,287,984</b>       | <b>(6,287,984)</b>           | <b>(45,944)</b>            | <b>-</b>                       |
| <b>General funds</b>            | <b>1,465,416</b>          | <b>1,146,524</b>       | <b>(1,270,127)</b>           | <b>45,944</b>              | <b>1,387,757</b>               |
| <b>Total unrestricted funds</b> | <b>1,465,416</b>          | <b>1,146,524</b>       | <b>(1,270,127)</b>           | <b>45,944</b>              | <b>1,387,757</b>               |
| <b>Total funds</b>              | <b>1,511,360</b>          | <b>7,434,508</b>       | <b>(7,558,111)</b>           | <b>-</b>                   | <b>1,387,757</b>               |

18. Reconciliation of net (expenditure) to net cash flow from operating activities

|  | 2023<br>£      | 2022<br>£        |
|--|----------------|------------------|
| <b>Net (expenditure) for the reporting period<br/>(as per the statement of financial activities)</b> | <b>10,198</b>  | <b>(123,603)</b> |
| Depreciation charges   | 61,988         | 57,206           |
| Interest from investments  | (16,783)       | (2,233)          |
| Decrease/(Increase) in debtors   | (42,102)       | 71,626           |
| Decrease in creditors  | 172,573        | 228,028          |
| <b>Net cash provided by/(used in) operating activities</b>   | <b>185,874</b> | <b>231,024</b>   |

19. Isle of Man Activities

During the year, the Charity collected the following income from donations in the Isle of Man:

|   | Unrestricted<br>£ | Restricted<br>£ | 2023 Total<br>£ | 2022 Total<br>£ |
|---|-------------------|-----------------|-----------------|-----------------|
| <b>Voluntary Income</b>                             |                   |                 |                 |                 |
| Consumer donations to Pennies ("Pennies donations") | 1,081             | 12,319          | 13,400          | 8,673           |

During the year, the Charity incurred the following expenditure in the Isle of Man:

|                                     | Direct<br>Charitable<br>Activities<br>£ | Governance<br>costs<br>£ | 2023 Total<br>£ | 2022 Total<br>£ |
|-------------------------------------|---|--------------------------|-----------------|-----------------|
| Grants payable (see analysis below) | 12,319                                  | -                        | 12,319          | 7,429           |
| Governance costs                    | -                                       | 4,657                    | 4,657           | 1,244           |
|                                     | 12,319                                  | 4,657                    | 16,976          | 8,673           |
| <b>Total expenditure 2023</b>       | <b>12,319</b>                           | <b>4,657</b>             | <b>16,976</b>   | <b>8,673</b>    |
| <b>Total expenditure 2022</b>       | <b>7,429</b>                            | <b>1,244</b>             | <b>8,673</b>    |                 |

Of the total expenditure, £4,657 was unrestricted (2022: £1,244) and £12,319 was restricted (2022: £7,429).

### 19. Isle of Man Activities (continued)

#### Analysis of grants payable

Of the income collected in the Isle of Man, the following grants to charities were payable to institutions during the year:

|                             | 2023          | 2022         |
|-----------------------------|---------------|--------------|
|                             | £             | £            |
| Isle of Play                | 4,456         | 5,772        |
| Macmillan Cancer Support    | 1             | 3            |
| Poundland Foundation        | 6,010         | 739          |
| Teenage Cancer Trust        | 583           | 1,657        |
| The JD Foundation           | 1,184         | -            |
| Young Lives vs Cancer       | 85            | 137          |
| <b>Total grants payable</b> | <b>12,319</b> | <b>8,308</b> |

Grants payable includes a commitment of £1,374 (2022: £2,295) for grants paid to charities in the Isle of Man after the year end.

### 20. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

