



Trustees' report and audited financial statements

For the year ended 31 March 2021

Registered Charity Number (England & Wales): 1132411
Registered Charity Number (Scotland): SC047395

Contents	Page
1. Trustees' report	2 – 8
2. Report of the independent auditors	9 – 11
3. Consolidated statement of financial activities	12
4. Charity statement of financial activities	13
5. Consolidated balance sheet	14
6. Charity balance sheet	15
7. Consolidated statement of cash flows	16
8. Notes to the financial statements	17 - 31

1. Trustees' Report

The trustees present their report with the financial statements of the Charity and its wholly-owned subsidiary for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Trust Deed, the Charities Act 2011 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) (2nd Edition, effective January 2019) ("Charities SORP").

Reference and administrative details

Charity name

Localgiving Foundation

Registered charity number

England & Wales: 1132411

Scotland: SC047395

Principal address

Shurland Hall
High Street
Eastchurch
Sheerness
ME12 4BN

Trustees

Tom Latchford (Chairman)
Gillian Mead
David Langer
Maria Chavez (appointed 15th December)

Auditors

Blick Rothenberg Audit LLP
Chartered Accountants & Statutory Auditors
Palladium House
1-4 Argyll Street
London
W1F 7LD

Bankers

CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Solicitors

Withers LLP
20 Old Bailey
London
EC4M 7AN

Structure, governance and management

Governing document

The Charity is constituted and managed in accordance with the trust deed of 20 October 2009 as amended on 16 April 2013 as amended by deed dated 20 March 2017.

Trustee appointments and training

New trustees of the Charity are appointed by the existing trustees. Trustees have the power to appoint new trustees at any time by passing an ordinary resolution at a trustee meeting or by written resolution. The minimum number of trustees is 3 and there is no maximum.

The Trustees offer a wide range of skills and experience essential for good governance of the Charity. New trustees are given an induction pack containing key information on the Charity and its subsidiary.

Organisational structure and decision making

The Charity is governed by the Board of Trustees composed of a chairman and two other trustees as at the date of approval of the Trustees' Report. The Trustees are ultimately responsible for the Charity's strategic direction, upholding the Charity's values, and ensuring that it achieves its objectives. Trustees are involved in and approve key strategic decisions, including major funder projects and activities affecting the Charity's reputation, finances or ability to support local charities and community organisations. The Trustees hold meetings quarterly. In addition, they also take part in ad hoc consultations on stewardship issues and act as ambassadors for the Charity in public.

The subsidiary, Localgiving Ltd, has a separate board of directors, which is responsible for the planning and major operational decision making of the organisation. This includes reviewing risk management, key activities or projects and performance against objectives. The Board meets regularly (4 times per year) and is responsible for reporting back to the Charity regularly on its financial position and progress against business plan.

The staff of the subsidiary, overseen by the director, are responsible for the day-to-day management of the subsidiary and implementing plans and activities. The Senior Management Team has regular 1:1 meetings with the Chairman at which they have the opportunity to raise any immediate issues that require strategic guidance. The Senior Management Team maintains regular weekly meetings to track performance, manage issues and assess new opportunities. The staff team is structured around 3 key functions: Technology Development, Business Development and Finance & Operations. The staff also work in flexible cross-functional teams to deliver

new technology projects, regional development programmes and match-fund campaigns.

Consulting with local charities and community groups is core to the Charity's approach. Along with surveys of our beneficiaries and donors, which are shared throughout the group, feedback from visits by members of staff, managers, directors and trustees inform decisions about the strategic objectives and activities of the group.

The group looks to collaborate and build partnerships with other organisations in the sector through joint funding programmes, cross-member benefits, advocacy, shared services and research.

Remuneration of key management personnel

The Charity has no employees and none of the Trustees receive any remuneration (see Note 9). The subsidiary, Localgiving Ltd, employs staff.

Salaries for permanent staff are revised and set once per year in March by the remuneration committee with new salaries taking effect in April. The committee is made up of the Trustees of Localgiving Foundation and the Managing Director of Localgiving Ltd. Localgiving Ltd aims to pay staff as fairly as possible and is a Living Wage employer. Staff on contracts for Regional Development programmes have their pay set according to costing in the funding proposal for the respective programme. Localgiving Ltd aims to recover full cost on funding bids for these programmes, unless the member of staff contributes to core operations as well.

Members of the Senior Management Team have their salary based on a number of factors: London Living wage increases, performance of the organisation against predetermined targets, individual performance and financial constraints of the organisation.

Related parties

As at 31st March 2021, the Charity owns 100% of the called-up share capital in Localgiving Ltd (the subsidiary). Localgiving Ltd became a wholly owned subsidiary of the Charity on 28th October 2015.

The Chairman of the Charity, Tom Latchford, is also the director of the subsidiary. The subsidiary acts as an agent for the Charity to receive online donations and match grants, claim Gift Aid and pay grants to local charities. The transaction costs of this income and expenditure are recharged to the charity by the subsidiary.

The charity also makes grants to the subsidiary from funding it has received to cover the costs of running various programmes.

Objectives and activities

Localgiving Foundation is dedicated to providing funding opportunities and advocacy for local charities and community groups in the UK. Its mission is to safeguard the sustainability of the local voluntary sector by empowering charitable organisations to connect with supporters, fundraise online and take control of their future.

Long term:

- a. Help to strengthen communities by increasing funding of the local voluntary sector.
- b. Build public awareness of the value and opportunities of the local voluntary sector.
- c. Increase fundraising efficiency and reduce the administrative burden of grant applications.

Short term:

- a. Increase the value and number of the online donations and deliver more grants to beneficiary local voluntary organisations.
- b. Publish research reports to enhance government and media recognition of the value, opportunities and vulnerability of the local voluntary sector.
- c. Increase coverage of digital fundraising capacity building programmes to digital cold spots in the UK.
- d. Provide a year-round calendar of fundraising promotions and match funds.
- e. Enable grant makers to make many micro-grants through Localgiving.

online donations, whether one-off or as a recurring monthly Direct Debit. It provides automated Gift Aid processing and enables smaller unregistered charities to benefit from Gift Aided donations. It provides access to dashboards of donation reporting and enables charities to send messages to supporters.

- ii. *Support* - delivering support and training to small local charities across the country. It secures funding from third party philanthropists and charitable foundations to run regional development programmes where local field workers provide free face-to-face training for charities, focused on developing digital and fundraising skills. It runs a national helpdesk, which provides customer support, as well as digital fundraising training and tips, via phone, email, social media and webinars.
- iii. *Funding* - securing funding from government bodies, philanthropists, other grant-making foundations and corporate sponsors for local and national match fund campaigns and grant funding programmes.
- iv. *Advocacy* - running PR, marketing and advertising campaigns to support match funds, capacity building programmes and charity fundraising initiatives. It works to secure coverage, both locally and nationally. It also conducts research to quantify the impact of local charitable organisations and report on the current state of the sector.

Activities

(1) Grant-making to beneficiary local charities and community organisations in the UK

Donations made on the Localgiving fundraising platform are forwarded on to member charities and community groups along with any match funding to the online donations.

These online donations represent voluntary income and, along with allocated match funding, are designated by the Trustees for grant-making. These micro-grants are paid out automatically to the member charities and community organisations that have fund-raised the donations.

(2) Activities directly undertaken by Localgiving which fall into four core areas:

- i. *Technology* - providing an online fundraising website, devoted to local charities and community organisations. The website enables charitable organisations to receive

Public benefit

The Trustees confirm that they have referred to the Charity Commission guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting policies.

The Charity seeks to promote the local voluntary sector, efficiency and effectiveness of charities and the effective use of charitable resources. Its beneficiaries are local charities and community groups. The methods it uses to achieve its charitable purposes include:

- a. Making grants to local community organisations
- b. Providing free training in digital fundraising skills
- c. Undertaking research into the state of the local voluntary sector
- d. Providing advocacy for the local voluntary sector
- e. Acts as a network for local charities and community groups in the UK

Achievements and performance

Community Match Challenge

Localgiving Foundation secured £1m in funding from DCMS (The Department for Digital, Culture, Media & Sport) in October 2020. A match funding campaign was run on the Localgiving website in November and engaged over 8,000 donors to support the campaign.

This resulted in 400 small and medium sized local charitable organisations in England receiving grants of £1,957,000 to help them support communities impacted by COVID-19. It is estimated that the funding will support nearly 240,000 beneficiaries; reaching one beneficiary for every 24p provided by DCMS.

Organisations supporting a wide-range of beneficiaries across every region of England were supported through the fund. Key beneficiary groups were supported in-line with demographics of the English population:

- 22% of beneficiaries were disabled compared to 22% of the English population;
- 15% of beneficiaries were BAME compared to 14% of the English population;
- 2% of beneficiaries were LGBTQ+ compared to 2% of the English population.

Bath & North East Somerset Third Sector Support Group (BANES 3SG) received a grant of £50,873 through the fund. The grant enabled them to manage, support and sustain their Emergency Volunteer Response Service during the pandemic. Through this work 1,249 local residents were supported at times where they were in need of food, medication or assistance. This ensured that isolated members of the community were able to receive groceries and medication when they needed it and volunteers were able to check in on their mental wellbeing.

In addition, 6,000 support packs were distributed to 800 individuals who were struggling severely due to the impact of COVID-19. Of these individuals, currently 162 are still receiving continued support. The 638 that have stopped receiving support were provided with assistance throughout their period of crisis.

Magic Little Grants

This year has seen us continue our Magic Little Grants programme, funded by the Postcode Community Trust.

The programme provides small grants through a simple online application process.

In the year to 31 March 2021, we distributed £469,000 in grants to 938 local charities and community groups. These groups were funded to deliver projects to increase physical activity in their local community. A total of 426 new organisations were funded. Funding was distributed across 112 postcode areas across Great Britain.

The map below shows the distribution of funding.



Future plans

Following the success of this programme and the feedback that we have received; we plan to expand our work through Magic Little Grants and have secured the funding to distribute over double the number of grants in the coming year.

Achievements and performance

Shurland Hall

The Covid-19 pandemic shone a spotlight on the vital role of local voluntary organisations as first-responders, but it also revealed the threats posed to small charities. Many charities cited a lack of access to the resources, facilities and partnerships needed to operate efficiently and make it through the pandemic. Learning from this experience, the Board saw a need and opportunity to diversify Localgiving's work and extend its mission by operating offline in physical localities. A new dimension of the Foundation's long-term vision is to harness the potential of heritage properties to deliver social, economic and environmental regeneration in deprived localities.

With this in mind, Localgiving Foundation has acquired Shurland Hall: a Grade II* Listed Tudor castle on the Isle of Sheppey (one of the top 2% most deprived areas in the UK). In the coming months and years, Localgiving will partner with a range of stakeholders to deliver programmes and resources in support of Sheppey's local charities and community groups. Acting as a proto-type for Localgiving's creation of regenerative community hubs, we will mobilise Shurland Hall to:

1. increase the sustainability of the local voluntary sector by coalescing cross-sector partnerships
2. improve public heritage access for social regeneration
3. boost the local economy
4. enhance the mental and physical wellbeing of the local community

Covid-19 Response

This year has provided a set of challenges never previously experienced. The Localgiving team has risen to the challenge and delivered significant growth in income generation to help meet the increasing needs of grassroots charitable organisations and the issues that their beneficiaries face.

We have seen an increase of 121% in online donations received through the Localgiving platform and a 277% increase in restricted income generated through grants. This has enabled the team to scale up its activities to support charitable organisations, whilst navigating the issues COVID-19 created for the organisation itself.

Throughout the year, 2,735 charitable organisations across the UK have been supported through the work of Localgiving Foundation.

Financial review

Supporters and beneficiaries

Localgiving Foundation is grateful to every one of its supporters. Without such vision and continued involvement it would not be possible to provide these valuable services to charities and community organisations across the UK.

The group received £10,610,400 in voluntary income during the year. This was made up of donations of £8,418,079 and grants of £2,192,321.

Donations and grants were received from the following sources:

Donor / Funder	£
DCMS	1,000,000
Postcode Society Trust	227,506
Postcode Neighbourhood Trust	227,506
Postcode Community Trust	170,630
People's Postcode Trust	170,630
Postcode Places Trust	170,630
Postcode Local Trust	170,630
Garfield Weston Foundation	25,000
The Waterloo Foundation	15,000
National Lottery Community Fund	14,789
Online donors	8,355,970
Individuals	62,109
	<hr/>
	10,610,400

From this income, grants of £9,096,311 were awarded. The group had support costs related to grant payments of £94,623.

Reserves policy

The Trustees maintain a reserves policy to build up the Charity's unrestricted reserves to a level that will provide appropriate protection against normal and economic risks and which will also provide a stable financial foundation to meet current financial commitments, planned activities, and to invest for future growth.

Reserves of £1,218,895 were carried forward by the Charity at the end of the year, represented by £1,072,980 restricted funds for future grant awards, £110,851 designated funds for future grants awards and £35,064 in general funds.

Voluntary income via online donations are designated to fund local charities represented on Localgiving's online fundraising platform. These amounts are paid out on a weekly basis to designated grantees.

The charity's own balance sheet shows a surplus on unrestricted funds of £1,780,121 compared to a surplus of £35,064 in group unrestricted funds caused by accumulated trading losses in the subsidiary. As the group expands, the subsidiary is expected to become profitable so reducing its level of retained losses and ensuring group unrestricted are

no longer in deficit. The current year saw a significant fall in the level of accumulated losses in the subsidiary which the Trustees expect to continue.

Localgiving Foundation's level of free reserves is under continuous review.

Risk management

The Trustees have assessed the major risks to which the Charity is exposed and have in place systems to mitigate its exposure to major risks.

The Charity depends on the subsidiary's technology to receive donations and to operate grant programmes. The subsidiary provides quarterly operational risk reviews related to the processing of grants to local charities and community groups; the validation of these groups to be able to receive funds and the website infrastructure to deliver the fundraising platform. The subsidiary is required to have an independent website security audit once per year.

Financial performance and cash forecasts of the subsidiary are reviewed monthly by the Chairman to ensure the subsidiary remains on track with its business plan. The Charity has provided against the loan to the subsidiary in its Statement of Financial Activities.

Results for the year

Income increased from £4,695,303 to £10,975,216 and expenditure from £4,821,753 to £10,436,990 leading to a surplus for the year of £538,226 against a deficit of £126,450 in 2019/20. This major rise in donations received and grants made was due to increased activity due to the effects of the COVID pandemic as detailed elsewhere in this report.

COVID-19 impact moving forward

The Trustees feel confident that the group has navigated the COVID-19 pandemic well and has improved its financial position during this period. The group has continued to secure additional income through grants and donations based on its experience delivering similar programmes outlined in this report. The Trustees believe that this rise in income will be maintained and that the income of the group will continue to grow moving forward.

Fundraising

The Trustees ensure that our fundraising activity is delivered to a high standard:

- We are committed ensuring that we are completely open about our fundraising and spending
- We undertake any fundraising activity to our supporters via formal applications
- We do not use any third parties to assist with raising funds
- We did not receive any complaints with regards to our fundraising activity in the year

Funds as agent

The Charity also receives funds on behalf of other foundations through its online platform. These donations are held on behalf of and remain under the control of these other foundations.

As a result, the Charity does not include these funds in its financial statements.

At the balance sheet date, an amount of £432,856 (2020: £133,227) was held on behalf of other foundations.

Trustees' responsibilities statement

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed requires the Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charity for that period. In preparing those financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

On behalf of the board:



T Latchford
Chair of Trustees

Date: 21st December 2021

2. Independent Auditor's Report to the Trustees of Localgiving Foundation for the year ended 31 March 2021

Opinion

We have audited the financial statements of Localgiving Foundation (the 'Charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 March 2021 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 Charities Act 2011.

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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Independent Auditor's Report to the Trustees of Localgiving Foundation for the year ended 31 March 2021(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 charity'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 charity or cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and a review of the appropriate records.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify potential management bias;
- carried out a review of cut off procedures for income and expenses;
- reviewed the allocation of income and expenses between restricted, designated and unrestricted funds
- reviewed the rationale for significant or unusual transactions and
- assessed whether grant and donation income has been correctly recognised.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation.
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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 charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Russell Tenzer FCA (Senior Statutory Auditor)

22.12.2021

For and on behalf of Blick Rothenberg Audit LLP

Chartered Accountants

Statutory Auditor

Palladium House
1-4 Argyll Street
London
W1F 7LD

Blick Rothenberg Audit LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

3. Consolidated statement of financial activities

Incorporating income and expenditure

					Total funds	
	Notes	General Funds £	Designated Funds £	Restricted Funds £	Year ended 31/03/21 £	Year ended 31/03/20 £
Income from:						
Donations	3					
Donations		62,109	8,355,970	-	8,418,079	3,801,571
Grants		-	-	2,192,321	2,192,321	581,182
Trading activities	4	364,815	-	-	364,815	311,825
Other income		-	-	-	-	725
Total		426,924	8,355,970	2,192,321	10,975,215	4,695,303
Expenditure on:						
Raising funds	6	679,771	-	-	679,711	180,954
Charitable activities	7					
Awarding grants		-	7,754,354	1,436,580	9,190,934	4,128,225
Localgiving website		566,284	-	-	566,284	508,104
Other expenditure		-	-	-	-	4,470
Total		1,246,055	7,754,354	1,436,580	10,436,989	4,821,753
Net Income		(819,131)	601,616	755,741	538,226	(126,450)
Transfers between funds	16	998,137	(769,955)	(228,182)	-	-
Net movements in funds		179,006	(168,339)	527,559	538,226	(126,450)
Reconciliation of funds:						
Total funds brought forward		(143,942)	279,190	545,421	680,669	807,119
Total funds carried forward	16	35,064	110,851	1,072,980	1,218,895	680,669

The notes on pages 17 to 30 form part of these financial statements.

4. Charity statement of financial activities

Incorporating income and expenditure

					Total funds	
	Notes	General Funds £	Designated Funds £	Restricted Funds £	Year ended 31/03/21 £	Year ended 31/03/20 £
Income from:						
Donation	3					
Donations		62,109	8,355,970	-	8,418,079	3,801,571
Grants		-	-	2,192,321	2,192,321	581,182
Investments	5	40,517	-	-	40,517	44,277
Other income		-	-	-	-	-
Total		102,626	8,355,970	2,192,321	10,650,917	4,427,030
Expenditure on:						
Raising funds	6	678,202	-	-	678,202	180,954
Charitable activities	7					
Awarding grants		-	8,355,521	1,664,762	10,020,283	4,449,872
Other expenditure		-	-	-	-	4,470
Total		678,202	8,355,521	1,664,762	10,698,485	4,635,296
Net Income		(575,576)	449	527,559	(47,568)	(208,266)
Transfers between funds	16	168,788	(168,788)	-	-	-
Net movements in funds		(406,788)	(168,339)	527,559	(47,568)	(208,266)
Reconciliation of funds:						
Total funds brought forward		2,186,909	279,190	545,421	3,011,520	3,219,786
Total funds carried forward	16	1,780,121	110,851	1,072,980	2,963,952	3,011,520

The notes on pages 17 to 30 form part of these financial statements.

5. Consolidated balance sheet

		Total funds	
	Notes	Year ended 31/03/21 £	Year ended 31/03/20 £
Fixed Assets:			
Tangible fixed assets	11	2,745,760	2,507,502
Total fixed assets		2,745,760	2,507,502
Current assets:			
Debtors	13	916,751	418,492
Cash at bank and in hand		1,185,037	838,875
Total current assets		2,101,788	1,257,367
Liabilities:			
Creditors: amounts falling due within one year	14	(1,570,729)	(973,078)
Net current assets		531,059	284,289
Total assets less current liabilities		3,276,820	2,791,791
Creditors: amounts falling due after more than one year	15	(2,057,924)	(2,111,122)
Total net assets		1,218,895	680,669
Funds:	16		
General funds		35,064	(143,942)
Designated funds		110,851	279,190
Restricted funds		1,072,980	545,421
Total funds		1,218,895	680,669

The financial statements were approved and authorised for issue by the Board of Trustees and signed on their behalf by:



T Latchford
Chair of Trustees

Date: 21st December 2021

The notes on pages 17 to 30 form part of these financial statements.

6. Charity balance sheet

		Total funds	
	Notes	Year Ended 31/03/21 £	Year Ended 31/03/20 £
Fixed Assets:			
Tangible fixed assets	11	2,743,236	2,505,153
Investments	12	5	5
Total fixed assets		2,743,241	2,505,158
Current assets:			
Debtors	13	2,710,082	2,938,432
Cash at bank and in hand		545,988	337,016
Total current assets		3,256,070	3,275,448
Liabilities:			
Creditors: amounts falling due within one year	14	(977,435)	(657,964)
Net Current Assets		2,278,635	2,617,484
Total assets less current liabilities		5,021,876	5,122,642
Creditor: amounts falling due after more than one year	15	(2,057,924)	(2,111,122)
Net assets		2,963,952	3,011,520
Funds:	16		
General funds		1,780,121	2,186,909
Designated funds		110,851	279,190
Restricted funds		1,072,980	545,421
Total funds		2,963,952	3,011,520

The financial statements were approved and authorised for issue by the Board of Trustees and signed on their behalf by:



T Latchford
Chair of Trustees

Date: 21st December 2021

The notes on pages 17 to 30 form part of these financial statements.

7. Consolidated cash flow statement

	Notes	Year Ended 31/03/21 £	Year Ended 31/03/20 £
Cash flows from operating activities			
Net cash from/(used by) by operating activities	18	737,408	(108,003)
Cash flows from investing activities			
Purchase of tangible fixed assets		(273,464)	(2,520,151)
Net cash used in investing activities		(273,464)	(2,520,151)
Cash flows from financing activities			
(Loans repaid)/loan advances		(117,782)	2,700,273
(Net cash used in)/net cash from financing activities		(117,782)	2,700,273
Change in cash and cash equivalents in the year		346,162	72,119
Cash and cash equivalents brought forward		838,875	766,756
Cash and cash equivalents carried forward	19	1,185,037	838,875

The notes on pages 17 to 30 form part of these financial statements.

8. Notes to the financial statements

1 General Information

Localgiving Foundation is an unincorporated charity registered at the Charities Commission with charity number 1132411 (England and Wales) and SC047395 (Scotland) which is governed by its Trust Deed dated 20 March 2017.

2 Accounting Policies

Basis of preparation of the financial statements

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) (2nd Edition, effective 1 January 2019) ("Charities SORP").

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Localgiving Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

Basis of consolidation

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

Going concern

The Charity is reliant upon voluntary income, in the form of donations from individuals, membership fees, and grant funding for specific programmes. Income across all of these streams has grown over the last 5 years. The Trustees are confident based on performance since the balance sheet date that there will be further increases in income over the next twelve months.

The trustees do not consider that the Charity has been affected by the disruptions caused by the coronavirus pandemic and the various lockdowns during the year. The pandemic has actually led to an increase in donations received through the Localgiving website. Technical and other staff within the Charity's subsidiary continue to maintain the website platform from home.

After reviewing expected expenditure, expected income, and the future plans of the Charity, the Trustees consider that the Charity is a going concern.

Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Grant income is recognised once the above criteria have been met, together with any performance conditions attached to the grant. Grant income received is deferred only when the Charity has yet to fulfill the performance conditions.

Donation income from the platform is recognised once the above criteria have been met, together with the donor successfully completing the online donation process via the Localgiving website.

Membership subscription income is recognised in the period in which the services are provided on an accruals basis with amounts received in advance being shown in deferred income.

Commission income is recognised upon completion of the grant payments to the designated charities

Notes to the financial statements

Accounting policies (continued)

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.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants offered subject to conditions which have not been met at the period end date are noted as a commitment but not accrued as expenditure.

Support costs are those costs incurred directly in support of expenditure and allocated across the key objects of the Charity and include overall management of the Charity. Governance costs are those associated with the governing of the Charity not relating to fundraising, charitable activities or day to day management.

Governance costs comprise the management and administration cost for the running of the Charity.

All resources expended are inclusive of irrecoverable VAT.

Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Intangible fixed assets and amortisation

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following basis:

Website development 20% straight-line

Tangible fixed assets and depreciation

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office Equipment	30% straight-line
Fixtures & fittings	20% straight-line
Land & Buildings	2% straight-line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Freehold land is not depreciated. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Cash at Bank and in hand

Cash at bank and 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.

Notes to the financial statements

Accounting policies (continued)

Financial instruments

The group has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the group becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

The group's policies for its major classes of financial assets and financial liabilities are set out below.

Basic financial assets

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

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic Financial Liabilities

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

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

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

Derecognition of financial liabilities

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

Notes to the financial statements

Accounting policies (continued)

Financial instruments (continued)

Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advance payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Pensions

The Charity's subsidiary operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

The contributions are recognised as an expense in the statement of financial activities when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial activities. The assets of the plan are held separately from the charity in independently administered funds.

Taxation

The Charity is exempt from Income Tax and Capital Gains Tax on its charitable activities however the subsidiary's activities fall within the scope of Corporation Tax.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds are held by the Charity for a purpose designated by the Trustees. The designated funds represent online donations that have been set aside to pay out as grants to local charities and the costs associated with carrying out this service.

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

Investment income, gains and losses are allocated to the general fund.

Notes to the financial statements

3. Income from donations

	Group		Charity	
	Year ended 31/03/21 £	Year ended 31/03/20 £	Year ended 31/03/21 £	Year ended 31/03/20 £
Donations	8,418,079	3,801,571	8,418,079	3,801,571
Grants	2,192,321	581,182	2,192,321	581,182
	10,610,400	4,382,753	10,610,400	4,382,753

In 2021, income from donations and legacies related to the following funds:

Group: £62,109 was to general funds, £8,355,970 was to designated funds and £2,192,321 was to restricted funds.

Charity: £62,109 was to general funds, £8,355,970 was to designated funds and £2,192,321 was to restricted funds.

4. Income from trading activities

	Group		Charity	
	Year ended 31/03/21 £	Year ended 31/03/20 £	Year ended 31/03/21 £	Year ended 31/03/20 £
Localgiving website income	364,815	311,825	-	-
	364,815	311,825	-	-

In 2021, income from charitable activities related to the following funds:

Group: £364,816 was to general funds. (2020: £311,825)

Charity: £nil (2020: £nil)

5. Investment income

	Group		Charity	
	Year ended 31/03/21 £	Year ended 31/03/20 £	Year ended 31/03/21 £	Year ended 31/03/20 £
Deposit account interest	-	-	-	-
Interest on loan to subsidiary	-	-	40,517	44,277
	-	-	40,517	44,277

In 2021, investment income related to the following funds:

Group: £nil (2020: £nil)

Charity: £40,517 was to general funds (2020: £44,277)

Notes to the financial statements

6. Raising funds

	Group		Charity	
	Year ended 31/03/21 £	Year ended 31/03/20 £	Year ended 31/03/21 £	Year ended 31/03/20 £
Support costs	679,771	180,954	678,202	180,954
	679,771	180,954	678,202	180,954

7. Charitable activities

	Group				
	Activities undertaken directly 31/03/21 £	Grant funding of activities 31/03/21 £	Support costs 31/03/21 £	Total Year ended 31/03/21 £	Total Year ended 31/03/20 £
Grants awarded to organisations	-	9,096,311	94,623	9,190,934	4,128,225
Localgiving website	566,284	-	-	566,284	508,104
	566,284	9,096,311	94,623	9,757,218	4,636,329

	Charity				
	Localgiving website 31/03/21 £	Grant funding of activities 31/03/21 £	Support costs 31/03/21 £	Total Year ended 31/03/21 £	Total Year ended 31/03/20 £
Grants awarded to organisations	-	9,096,311	923,972	10,020,283	4,449,872
	-	9,096,311	923,972	10,020,283	4,449,872

Grants were awarded to a total of 2,735 (2020 - 2,305) organisations. The average grant made during the year was £3,319 (2020 - £1,744). A full list of grants awarded in the year is available from the Foundation's registered office.

Notes to the financial statements

8. Support costs

	Group			
	Raising funds	Charitable activities	Total Year ended 31/03/21	Total Year ended 31/03/20
	31/03/21 £	31/03/21 £	31/03/21 £	31/03/20 £
Depreciation and amortisation	35,612	-	35,612	14,165
Governance	23,016	-	23,016	32,396
Legal and professional fees	70,117	-	70,117	56,637
Bank charges	104	-	104	60
Payment provider fees	-	94,623	94,623	37,232
Loan interest	272,050	-	272,050	106,846
Books	1,542	-	1,542	203
General expense	11,855	-	11,855	2,217
Cleaning	4,036	-	4,036	2,554
Insurance	5,577	-	5,577	813
Repairs & maintenance	100,548	-	100,548	-
IT consumables	7,315	-	7,315	22,284
Postage & stationery	2,846	-	2,845	588
Other consumables	29,667	-	29,667	21,335
Subscriptions	4,298	-	4,298	1,471
Advertising & marketing	7,200	-	7,200	-
Travel & subsistence	15,176	-	15,176	5,553
Staff training	104	-	104	98
Charitable & political donations	77,941	-	77,941	-
Utility	10,767	-	10,767	699
	679,771	94,623	774,334	305,151

	Charity			
	Raising funds	Charitable activities	Total Year ended 31/03/21	Total Year ended 31/03/20
	31/03/21 £	31/03/21 £	31/03/21 £	31/03/20 £
Depreciation and amortisation	34,043	-	34,043	14,165
Governance	23,016	-	23,016	32,396
Legal and professional fees	70,117	-	70,117	56,637
Bank charges	104	-	104	60
Payment provider fees	-	103,290	103,290	43,963
Commissions	-	592,500	592,500	182,590
Management fees	-	228,182	228,182	115,076
Books	1,542	-	1,542	203
Loan interest	272,050	-	272,050	106,846
General expense	11,855	-	11,855	2,217
Cleaning	4,036	-	4,036	2,554
Repairs & maintenance	100,548	-	100,548	-
Insurance	5,577	-	5,577	813
IT consumables	7,315	-	7,315	22,284
Postage & stationery	2,846	-	2,845	588
Other consumables	29,667	-	29,667	21,335
Subscriptions	4,298	-	4,298	1,471
Advertising & marketing	7,200	-	7,200	-
Travel & subsistence	15,176	-	15,176	5,553
Staff training	104	-	104	98
Charitable & political donations	77,941	-	77,941	-
Utility	10,767	-	10,767	699
	678,202	923,972	1,602,174	609,548

Included in governance is Auditors' remuneration of £21,000 (2020 - £15,750).

Notes to the financial statements

9. Staff costs and trustee remuneration

	Group		Charity	
	Year ended 31/03/21 £	Year ended 31/03/20 £	Year ended 31/03/21 £	Year ended 31/03/20 £
Staff costs				
Wages & salaries	356,151	301,508	-	-
Social security costs	33,937	27,188	-	-
Pension costs	7,073	5,508	-	-
	397,161	334,204	-	-
Number of employees				
Charitable activities	10	9	-	-
	10	9	-	-

There were no employees who received total employee benefits (excluding employer pension costs) of more than £60,000 in the year (2020 - none).

Trustees' remuneration and expenses

There was no trustees' remuneration for the year ended 31 March 2021, nor for the year ended 31 March 2020. In addition, there were no trustees' expenses paid for the year ended 31 March 2021, nor for the year ended 31 March 2020.

10. Intangible fixed assets

	Group		
	Website Development	Goodwill	Total
	£	£	£
Cost			
At 01/04/2020	727,431	283,624	1,011,055
At 31/03/2021	727,431	283,624	1,011,055
Amortisation			
At 01/04/2020	727,431	283,624	1,011,055
At 31/03/2021	727,431	283,624	1,011,055
Net book value			
At 31/03/2021	-	-	-
At 31/03/2020	-	-	-

Goodwill arising on the acquisition in previous years of the share capital of Localgiving Ltd has been fully written off in the year of acquisition following an impairment review in that year.

Notes to the financial statements

11. Tangible fixed assets

	Group				
	Office equipment	Land & Building	Furniture & artwork	Plant & Machinery	Total
	£	£	£	£	£
Cost					
At 31/03/2020	15,696	2,252,851	266,467	-	2,535,014
Additions	18,403	48,522	65,421	141,784	274,130
Disposals	(667)	-	-	-	(667)
At 31/03/2021	33,432	2,301,373	331,888	141,784	2,808,477
Depreciation					
At 31/03/2020	13,347	-	14,165	-	27,512
Charge for year	1,569	-	15,553	18,490	35,612
Depreciation on Disposal	(407)				(407)
At 31/03/2021	14,509	-	29,718	18,490	62,717
Net book value					
At 31/03/2021	18,923	2,301,373	302,170	123,294	2,745,760
At 31/03/2020	2,349	2,252,851	252,302	-	2,507,502

	Charity				
	Office equipment	Land & Building	Furniture & artwork	Plant & Machinery	Total
	£	£	£	£	£
Cost					
At 31/03/2020	-	2,252,851	266,467	-	2,519,318
Additions	16,399	48,522	65,421	141,784	272,126
At 31/03/2021	16,399	2,301,373	331,888	141,784	2,791,444
Depreciation					
At 31/03/2020	-	-	14,165	-	14,165
Charge for year	-	-	15,553	18,490	34,043
At 31/03/2021	-	-	29,718	18,490	48,208
Net book value					
At 31/03/2021	16,399	2,301,373	302,170	123,294	2,743,236
At 31/03/2020	-	2,252,851	252,302	-	2,505,153

Notes to the financial statements

12. Fixed Asset investments

Localgiving Foundation owns 100% of the issued ordinary share capital of Localgiving Ltd, a company registered in England and Wales (company number 07111208). Localgiving Ltd operates a website which allows donors to make charitable donations to small charities and community groups.

The results of the subsidiary are included in the consolidated accounts.

13. Debtors: amounts falling due within one year

	Group		Charity	
	Year ended 31/03/21 £	Year ended 31/03/20 £	Year ended 31/03/21 £	Year ended 31/03/20 £
Trade debtors	215,754	152,547	149,629	99,219
Other debtors	101,821	240,593	396	200,000
Amount due from Localgiving Ltd	-	-	1,972,525	2,639,213
Prepayments and accrued income	599,176	25,352	587,532	-
	916,751	418,492	2,710,082	2,938,432

14. Creditors: amounts falling due within one year

	Group		Charity	
	Year ended 31/03/21 £	Year ended 31/03/20 £	Year ended 31/03/21 £	Year ended 31/03/20 £
VAT payable	20,236	6,641	-	-
Trade creditors	103,954	64,985	163,568	51,563
Social Security and other taxes	8,733	8,821	-	-
Other creditors	424,330	158,618	-	-
Loans and overdrafts	796,616	589,151	796,616	589,151
Accruals and deferred income	216,860	144,862	17,251	17,250
	1,570,729	973,078	977,435	657,964

15. Creditors: amounts falling due after more than one year

	Group		Charity	
	Year ended 31/03/21 £	Year ended 31/03/20 £	Year ended 31/03/21 £	Year ended 31/03/20 £
Loans	2,057,924	2,111,122	2,057,924	2,111,122
	2,057,924	2,111,122	2,057,924	2,111,122

The loan is secured by way of first legal mortgage over the property.

Notes to the financial statements

16. Statement of funds

Group statement of funds

	At 01/04/20	Incoming resources / other gains/losses	Resources expended	Transfers	At 31/03/21
	£	£	£	£	£
Unrestricted funds					
General fund	(143,942)	426,924	(1,246,055)	998,137	35,064
Designated fund – online donations	279,190	8,355,970	(7,754,354)	(769,955)	110,851
Restricted funds					
Wales Development	21,624	54,789	(768)	(36,612)	39,033
Magic Little Grants	523,797	1,137,532	(485,812)	(141,570)	1,033,947
Community Match Challenge	-	1,000,000	(950,000)	(50,000)	-
Subtotal restricted	545,421	2,192,321	(1,436,580)	(228,182)	1,072,980
Total funds	680,669	10,975,215	(10,436,989)	-	1,218,895

Charity statement of funds

	At 01/04/20	Incoming resources / other gains/losses	Resources expended	Transfers	At 31/03/21
	£	£	£	£	£
Unrestricted funds					
General fund	2,186,909	102,626	(678,202)	168,788	1,780,121
Designated fund – online donations	279,190	8,355,970	(8,355,521)	(168,788)	110,851
Restricted funds					
Wales Development	21,624	54,789	(37,380)	-	39,033
Magic Little Grants	523,797	1,137,532	(627,382)	-	1,033,947
Community Match Challenge	-	1,000,000	(1,000,000)	-	-
Subtotal restricted	545,421	2,192,321	(1,664,762)	-	1,072,980
Total funds	3,011,520	10,650,917	(10,698,485)	-	2,963,952

Notes to the financial statements

16. Statement of funds (continued)

General fund (unrestricted) represents the general operating funds of the Charity.

Online donations fund (designated) represents online donations that have been set aside to pay out as grants to local charities and community groups.

London Development (restricted) represents funding for a regional development programme in London and remaining funds are due to be spent on capacity building for local charities in that region.

Wales Development (restricted) represents funding for a regional development programme in Wales and remaining funds are due to be spent on capacity building for local charities in that region.

South West Development (restricted) represents funding for a regional development programme in the South West of England and remaining funds are due to be spent on capacity building for local charities in that region. This programme is an extension of our West of England Development Programme.

Magic Little Grants (restricted) represents monies received to deliver a small grant programme. This programme has been supported by six different trusts: Postcode Society Trust, Postcode Neighbourhood Trust, Postcode Community Trust, People's Postcode Trust, Postcode Places Trust and Postcode Local Trust.

Grow Your Tenner (restricted) represents monies received for the Grow Your Tenner campaign.

Local Hero (restricted) represents monies received for the Local Hero campaign.

Community Match Challenge (restricted) represents monies received from DCMS to provide grants to charities in England in response to Covid-19.

17. Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under a non-cancellable operating lease which expires in March 2021.

	Year ended 31/03/21 £	Year ended 31/03/20 £
Not later than 1 year	-	59,293
Later than 1 year and not later than 5 years	-	-
Total commitment	-	59,293

Notes to the financial statements

18. Reconciliation of net movement in funds to net cash flow from operating activities

	Year ended 31/03/21 £	Year ended 31/03/20 £
Net income for the year (as per Statement of Financial Activities)	538,226	(126,450)
Adjustment for:		
Depreciation charges	35,612	15,609
Loan interest	272,050	-
Loss on sale of fixed assets	-	(206)
(Increase)decrease in debtors	(408,474)	33,808
Increase/(decrease) in creditors	299,994	(30,764)
Net cash provided by/(used in) operating activities	737,408	(108,003)

19. Analysis of cash and cash equivalents

	Year ended 31/03/21 £	Year ended 31/03/20 £
Cash in hand	1,185,037	838,875
Total	1,185,037	838,875

Notes to the financial statements

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	General Funds £	Designated Funds £	Restricted Funds £	Total £
Fund balances at 31 March 2021 are represented by:				
Fixed assets	2,745,760	-	-	2,745,760
Current assets	917,957	110,851	1,072,980	2,101,788
Creditors due within one year	(1,570,729)	-	-	(1,570,729)
Creditors due after more than on year	(2,057,924)	-	-	(2,057,924)
	35,064	110,851	1,072,980	1,218,895

Analysis of net assets between funds - prior period

	General Funds £	Designated Funds £	Restricted Funds £	Total £
Fund balances at 31 March 2020 are represented by:				
Fixed assets	2,507,502	-	-	2,507,502
Current assets	432,756	279,190	545,421	1,257,367
Creditors due within one year	(973,078)	-	-	(973,078)
Creditors due after more than one year	(2,111,122)	-	-	(2,111,122)
	(143,942)	279,190	545,421	680,669

21. Related party disclosures

The Localgiving Foundation owns 100% of the called-up share capital of Localgiving Ltd. The Chairman of the Localgiving Foundation, Tom Latchford, is also a director of Localgiving Ltd.

Localgiving Ltd acts as an agent for the Localgiving Foundation to receive online donations and grant funding, and to pay grants to local charities on behalf of the Localgiving Foundation. The transaction costs of this income and expenditure are recharged to the Localgiving Foundation by Localgiving Ltd.

During the year, £8,355,970 (2020 - £3,800,827) in online donations and £2,192,321 (2020 - £581,182) in grant funding was received by Localgiving Ltd on behalf of Localgiving Foundation. Localgiving Ltd delivered projects funded through restricted funding on behalf of the charity and recharged £228,182 (2020 - £67,114) in management fees. Localgiving Ltd paid out £7,657,116 (2020 - £3,437,998) in grants to local charities and recharged £601,167 (2020 - £189,321) in transaction fees, which are eliminated upon consolidation. At 31 March 2021 Localgiving Ltd owed £184,048 (2020 - £227,360) to the Localgiving Foundation, representing online donations and grants received not yet awarded as grants to local charities.

Localgiving Foundation has also advanced a loan to Localgiving Ltd. At the balance sheet date included within debtors an amount totalling £1,517,252 (2020 - £2,181,248) owed to Localgiving Foundation plus accrued interest of £271,122 (2020 - £230,605).

At the year end, Localgiving Foundation owed a total of £2,854,540 (2020 - £2,700,273) to a Trustee that was provided as a social loan given other financing options were not available to the Localgiving Foundation at the time. Interest is payable at 9.75% per annum and £378,896 (2020 - £106,848) of cumulative interest has been accrued. The loan is secured by way of a legal charge and repayable on flexible terms without penalty in 43 months from the year end date.

During the year, no donations were received from former trustees (2020: £0).

22. Subsidiary company

The wholly owned subsidiary, Localgiving Limited (company number 07111208), maintains and operates the donations platform through which the Foundation receives donations and disburses grants. The database is run on a commercial basis for which the company receives commissions and other related income from the Foundation and other member charities. The results of the subsidiary are summarized below:

	Total funds	
	Year ended 31/03/21 £	Year ended 31/03/20 £
Profit and Loss Account		
Turnover	1,055,375	490,775
Cost of sales	(32,868)	(28,418)
Gross profit	1,022,507	462,357
Administration expenses	(534,726)	(479,547)
Other operating income	98,020	142,902
Operating profit	585,871	125,712
Interest receivable	3,795	381
Interest payable	(40,517)	(44,277)
Profit before tax	549,149	81,816
Taxation	35,645	-
Profit after tax	585,794	81,816
Balance Sheet		
Fixed assets	2,525	2,349
Debtors	181,094	128,500
Bank	639,267	501,859
Creditors less than 1 year	(779,563)	(551,701)
Net current assets	40,798	76,658
Creditors greater than 1 year	(1,783,374)	(2,411,853)
Net liabilities	(1,745,051)	(2,339,846)
Share capital	5	5
Profit and loss account	(1,745,056)	(2,330,851)
	(1,745,051)	(2,330,846)

