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Localgiving Foundation

Trustees' report and audited financial statements

For the year ended 31 March 2024

Registered Charity Number (England & Wales): 1132411

Registered Charity Number (Scotland): SC047395

The Trustees present their report with the financial statements of the Charity and the Group for the year ended 31 March 2024.

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 Castle (The "Castle")

High Street

Eastchurch

Sheerness

ME12 4BN

Trustees

Tom Latchford (Chairman)

Gillian Mead

David Langer

Maria Chavez

Benjamin Miller (appointed 2nd October 2023)

Auditors

Goodman Jones LLP

Chartered Accountants & Statutory Auditors

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Accountants

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Bankers

CAF Bank

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Solicitors

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Charity Commission no. **1132411**

Trustees' executive overview

Localgiving Foundation is a leading UK charity dedicated to helping local communities thrive.

We achieve this through two key initiatives:

1. Community Platform

The Localgiving platform – [Localgiving.org](https://localgiving.org) (the "Platform") – equips local community charities and nonprofit groups with powerful online tools to amplify their fundraising efforts.

Our partnerships with major grantmakers enable us to provide small grants and match funding to these groups. This year, we proudly won the Charity Times Award for Best Commercial Partnership in collaboration with National Grid. Together, we've distributed tens of millions of pounds to address the UK's fuel poverty crisis.

We also launched groundbreaking AI grant fundraising tools, empowering charities across the UK to identify and apply for grants with generative AI technology. Over the last 15 years, the Platform has grown to become the UK's leading resource for local charities and community groups.

2. Community Castle: Shurland Castle

To drive long-term socio-economic transformation in the UK's most deprived areas, we invest in education for children through innovative initiatives. Recognizing a gap for transformational experiences, we acquired Shurland Castle five years ago to create a unique, immersive educational space.

The castle, rich in history – from Henry VIII and Anne Boleyn's visit to Winston Churchill learning to fly nearby during the war – had fallen into disrepair. We took on the challenge to restore it and repurpose it as a magical, sustainable space for children.

Shurland Castle now serves as a world-class immersive educational environment. Children are transported into fairy-tale worlds where they engage in project-based learning, build real-world skills, and enhance their social-emotional development.

By combining history, education, and imagination, the castle provides a transformative experience for children while ensuring the building's long-term preservation.

Community Platform (Localgiving.org)

Localgiving has developed a unique proposition that integrates online donations with grant funding seamlessly. We are the only platform offering charitable causes a comprehensive solution to manage all their fundraising needs under a single subscription. With over 4,500 members (including 2,800 paying members), Localgiving supports a wide range of charitable objectives across all UK regions, distributing more than £16.5m in grants and donations and associated Gift Aid.

At the end of 2024, the platform represents the culmination of over a decade of sector expertise. Combining grants with donations—an approach surprisingly rare in the industry—has been shaped by listening to and addressing the evolving needs of our members. Charities rely on both project-specific grant funding and sustainable donor communities to thrive, and our platform uniquely meets those needs.

Transformation Progress in 2024

2024 has been a year of transformative progress for Localgiving, with major product and operational advancements. Highlights include:

- A complete relaunch of the entire product suite.
- Introduction of revolutionary AI tools designed to reshape the sector.
- Increasing grant distribution from £7.2m in FY23 to £7.9m in FY24—all achieved without increasing headcount.

This progress reflects our relentless commitment to optimising and automating processes, positioning Localgiving for long-term success.

Platform Enhancements

Over the last six months, every aspect of the platform has been redesigned and relaunched:

- Online donation pages: Enhanced configuration and usability.
- Communication toolkit: Simplified supporter engagement for charities.
- Streamlined registration process: Easier onboarding for new users.
- Upgraded reporting tools: Improved insights for member organisations.

Central to this relaunch is our new AI grant tools, which bridge the gap between cutting-edge technology and simplicity for users. These tools automatically identify relevant charity grants and use generative AI to tailor applications, requiring only basic inputs like an organisation's website. While still in its infancy, the product has received highly positive initial feedback, and we are excited about its potential to impact the sector.

Grantmaking Milestones

In winter 2023, we reached a significant milestone by distributing £5m to 715 projects in a single quarter. Our partnership with National Grid continues to thrive, with their grant programmes growing both in scale and scope:

- The CMF programme grew from a £500k phase in 2021 to £6m in FY2024.
- We've taken on three additional campaigns: the Community Grant Programme, the Landscape Enhancement Initiative, and the Hinkley STEM Education Fund.

Looking ahead, we are eager to support National Grid's extensive community benefits plan as part of its Great Grid Upgrade.

Lean, Expert-Led Team

Localgiving's success is a testament to the formidable team assembled by the trustees. Despite a reduced headcount, we've expanded our scope of work, showcasing the power of automation and streamlined processes.

The team is led by Andrei Aboline, whose extensive experience in technology and operational excellence includes senior roles in the development and launch of Chase UK with JP Morgan and Tandem Bank. Our lean structure reflects the trustees' strategic focus on critical expertise in grants, technology, and customer service while outsourcing commodified functions like finance and marketing. The result is a frictionless, agile organisation driven by world-class product knowledge and a laser focus on supporting charitable needs.

Overview of the Community Castle

Localgiving's Mission

The opening paragraph of the Government's white paper, *Levelling Up the United Kingdom*, recognises the crucial role of charities in eliminating geographical inequality. The White Paper states, "The economic prize from levelling up is potentially enormous. If underperforming places were levelled up towards the UK average, unlocking their potential, this could boost aggregate UK GDP by tens of billions of pounds each year. Levelling up skills, health, education and wellbeing would deliver similarly-sized benefits." Inspired by this vision, Localgiving Foundation has redefined its mission to create beacons of opportunity and innovation in the UK's most disadvantaged areas.

Addressing Geographical Inequality

Over ten years, the Charity operated its Platform to encourage fundraising for established community groups. Despite significant efforts, data revealed a persistent problem: the most impoverished areas often lacked the bold, pioneering initiatives needed to attract investment and inspire local transformation. This insight led the Trustees to a critical conclusion: to create a legacy of levelling up, the Charity must actively initiate and establish innovative opportunities in these areas.

Immersive Educational Spaces

A meticulously crafted plan emerged to establish spaces for inspiring education for children, designed to immerse them in fairy-tale worlds where they can learn real-world skills, including social-emotional learning (SEL), and engage in project-based learning. The focus was placed on repurposing inspiring yet deteriorating historic buildings—those in private ownership, heading towards disrepair, and lacking public accessibility—into vibrant educational spaces where children can combine imaginative experiences with practical skill-building and personal development. A report by the Education Policy Institute demonstrated that children from deprived areas are more likely to face mental health challenges, negatively impacting their academic performance and limiting future opportunities. Inspired by the acclaimed Maggie's Centres, which intertwine art, architecture, and nature, the Trustees devised a plan for educational spaces that prioritize children's mental health and holistic development, envisioning these as scalable models for local impact.

Supporting Local Schools and Hospices

Through this initiative, the Trustees aim to create a lasting legacy by fostering creativity, skill-building, and emotional intelligence in children. Over the last year, the Charity has been designing learning outcomes in collaboration with local schools for school trips, ensuring that children benefit from project-based learning and social-emotional development. The Castle will also support children's hospices, with a particular focus on the siblings of children affected by terminal or life-limiting illnesses. In 2019, the search for a suitable property led to Shurland Castle ("The Castle") in Sheerness on the Isle of Sheppey—one of the top 2% most deprived areas within two hours of London. Shurland Castle, steeped in national history as the site where Henry VIII brought Anne Boleyn and Winston Churchill learned to fly, had fallen into neglect after decades of private ownership. The Spitalfields Trust spent nearly a decade restoring the building, but the 2008 financial crash stalled their ambitious plans. The Charity completed its purchase of the Castle in late 2019, intending to revitalise it as a prototype for levelling up deprived areas. Among the first major projects was stabilising the walls surrounding the property, which were at risk of collapse. Working closely with MMA Architects, significant efforts were undertaken to reinforce these very high walls, ensuring their safety and preserving the historic character of the Castle while laying the groundwork for its transformation into an educational hub.

Progress and Achievements This Year

This year, the Charity has made significant progress on multiple fronts. A new planning consultancy was appointed, and the team has been diligently working through the RIBA stages to develop a well-considered design for the overall scheme to benefit children. These designs focus on creating spaces that inspire learning and development while preserving the Castle's historical integrity. Alongside this, the Charity has been developing a comprehensive theory of change to evaluate its impact and ensure the long-term success of its mission. Additionally, the Charity conducted pilot events to test the potential of its immersive educational spaces. One such highlight was the transformation of the Castle into a magical space filled with witches and wizards, creating a School of Magic where 'magic' symbolizes a belief in the universe. These events not only captivated children but also provided valuable insights into the practical application of the Charity's theory of change, demonstrating the transformative potential of using theatrical, fairy-tale-inspired settings to engage and educate young minds. For example, over 100 locals braved the rain to attend the Charity's Castle Summer Jazz fundraiser with Sheppey Matters, Rotary Clubs, and the Women's Institute, demonstrating the community's enthusiasm for the project.

The Trustees have assembled a world-class team to bring this vision to life. The architectural team is now led by MMA Architects, with Martin Ashley as the lead architect. Martin Ashley, renowned for his restoration of Sheerness Dockyard Church led by Will Palin on the Isle of Sheppey, has also worked on several high-profile restoration projects. Lucy Ridley, formerly Head of Creative Development at Secret Cinema and the Royal Opera House, leads the creative team, ensuring the spaces are theatrical and immersive.

The Charity has secured a grant from the Architectural Heritage Fund to catalyse restoration plans and has partnered with Kingston University to develop sustainability plans, led by a Trustee who is an alumnus and former head of operations for Vivid Economics, a leading sustainability consultancy acquired by McKinsey. This work aligns with the Charity's commitment to innovative, sustainable materials in the restoration process.

To ensure the project's success and safeguard its beneficiaries, the Charity has expanded its board of Trustees. In the last year, we had a new Trustee start with expertise in safeguarding children, currently serving as a Head of Department at a leading UK public school and with experience as Governor of a state school.

Summary

Localgiving Foundation achieves remarkable impact with a lean, highly motivated, and skilled team and Trustee board. By fostering collaboration between children's charities on the Isle of Sheppey and across Kent, the Charity creates opportunities to address urgent local needs while avoiding duplication of efforts. Its vision is to revolutionise how charities connect with supporters and funders, as demonstrated by its ambitious new platform and impactful collaborations. From the Bristol Baby Bank supporting its 10,000th family to helping National Grid fund over 700 projects through last winter's Fuel Poverty Fund, Localgiving Foundation's efforts have been recognised with a Charity Times Award.

After a decade of supporting grassroots charities, the Foundation has expanded its mission to include creating immersive, theatrical educational spaces for children in deprived areas. These spaces aim to combine the magic of fairy-tale worlds with real-world skill-building, including social-emotional learning and project-based education. Part of this mission includes providing a collaborative platform for children's charities across Kent and facilitating partnerships that leverage strengths rather than duplicating efforts. This initiative fosters a virtuous cycle: as a community Charity on the ground, Localgiving gains deeper insight into the realities of creating change, which informs its technological and project innovations. With Shurland Castle as its flagship project, the Charity aims to inspire profound, generational change by fostering creativity, collaboration, and practical skill-building through its innovative and immersive educational spaces. By transforming the Castle into a hub of magical, theatrical learning, Localgiving Foundation is shaping a brighter future for children and their communities.

Governing Document

The Charity is constituted and governed by the Trust Deed dated 20 October 2009, as amended on 16 April 2013, 20 March 2017, and 21 October 2019 (the "Trust Deed").

Organisational Structure

The Charity commissions Localgiving Limited (the "Subsidiary") to operate its grant distribution and fundraising platform, Localgiving.org. The platform is entirely impact-driven but operates as a subsidiary to effectively manage tax, risks, and the competitive demands of a technology-focused organisation. The Charity also owns Shurland Castle (the "Castle"), which serves as a cornerstone for its mission to reduce geographical inequality and support children's education and development.

Trustee Appointments and Training

New Trustees are appointed by the existing Trustees through an ordinary resolution at a Trustee meeting or by written resolution. The Charity requires a minimum of three Trustees, with no maximum specified.

The Trustees collectively bring a wealth of expertise critical to the Charity's governance. This includes nonprofit leadership, corporate finance, therapeutic services, technology entrepreneurship, and professional theatre production. Trustees receive a comprehensive induction covering key information about the Charity and its subsidiaries. Their responsibilities are reviewed annually, with updates provided on governance requirements and best practices.

Decision-Making

The Charity's strategic direction, administration, and governance are overseen by a board of Trustees, comprising a Chair and three other members. Trustees meet at least quarterly and are actively involved in major partnerships, financial oversight, and key charitable activities. They also serve as ambassadors, representing the Charity at events and engaging with stakeholders.

While Localgiving Limited operates with its own team to manage day-to-day activities, the Charity relies on its Trustees for strategic leadership and oversight. The Trustees work closely with the Subsidiary's CEO and staff to ensure alignment with the Charity's objectives. The CEO communicates regularly with the Chair and attends board meetings as necessary, providing updates on operations, risks, and opportunities.

Subsidiaries and Oversight

The Charity owns two subsidiaries: Localgiving Limited (100%) and Impactful Group Limited (97%), with the remaining 3% of the latter held by independent advisors. Impactful Group Limited is currently dormant, while Localgiving Limited is an active, thriving entity.

Localgiving Limited's board of directors meets quarterly to oversee operations, risk management, and financial performance. It reports regularly to the Charity to ensure its activities align with the Charity's Charity Commission no. **1132411**

mission and objectives. Staff within the Subsidiary are structured into three primary functions: Technology/Product, Business Development, and Customer Success. Flexible teams deliver projects such as new technology initiatives, regional development programmes, and match-funding campaigns.

Remuneration of Key Management Personnel

The Subsidiary's remuneration committee, comprising the Charity's Trustees, the Subsidiary's board, and the CEO, reviews and sets staff salaries annually. The Subsidiary is a Living Wage employer and ensures fair compensation for staff, with senior management salaries benchmarked against comparable-sized technology companies.

Managing Conflicts of Interest

The Trustees are diligent in managing conflicts of interest, adhering to the Trust Deed, internal policies, and Charity Commission guidance. A Conflicts of Interest Register is maintained, documenting any conflicts and their resolution. When necessary, legal advice is sought to ensure compliance with applicable legislation, such as the Companies Act 2006 and the Charities Act 2011.

Specific measures are in place to address potential conflicts:

- Two Trustees are connected persons by virtue of being married.
- One Trustee provided a bridging loan to help acquire Shurland Castle. This arrangement was carefully managed to ensure the Charity benefited from more favourable terms than would have been available on the open market.
- A license agreement permits Trustees to stay at Shurland Castle when fulfilling their duties, ensuring no unauthorized benefits occur.

These measures are transparently managed, following express provisions in governing documents and Charity Commission guidance.

Related Parties

As of 31 March 2024, the Charity holds 100% of the shares in Localgiving Limited and 97% of the shares in Impactful Group Limited, with the remaining 3% held by independent advisors. Localgiving Limited became a wholly owned subsidiary on 28 October 2015. As a trust, the Charity holds its shares through a trustee for the benefit of the Charity.

The Subsidiary acts as the Charity's agent for receiving donations, claiming Gift Aid, and distributing grants. This process is audited by HMRC. Restricted funding received by the Charity may be allocated to the Subsidiary to cover programme costs as stipulated in grant agreements.

The Charity maintains oversight of loans made by former Trustees before July 2017. No new loans have been issued by the current Trustees, beyond two advances accounted for in prior financial forecasts.

Objectives and Activities

The Objects of the Charity, as outlined in the Trust Deed, are “to promote for the benefit of the public such charitable purpose or purposes as the Trustees shall in their discretion think fit.” Although the Charity has broad charitable purposes, it focuses on helping communities flourish both nationally and locally through two primary initiatives:

Community Platform

The Charity commissions its Subsidiary to deliver the technology platform, Localgiving.org (the “Platform”), which supports small charities and nonprofits by providing grant delivery programmes, fundraising tools, and innovative services. The Platform reflects the Charity’s commitment to empowering smaller organisations through the use of cutting-edge technologies.

Notable features of the Platform include:

- **Generative AI:** Helping small charities without native English speakers draft high-quality grant applications comparable to professional bid writers.
- **Accessible Fundraising Interfaces:** Designed for older and less computer-literate users to ensure inclusivity.

The Platform has a proven track record of partnering with leading funders and is currently collaborating with National Grid on grant campaigns. Together, they have raised and distributed over £8 million in funding for front-line organisations addressing key issues, including Diversity & Inclusion in employment, STEM education, and Fuel Poverty. By leveraging technology, the Platform provides critical resources that smaller charities might otherwise lack access to, enabling them to thrive and make a meaningful impact.

Community Castle

The Charity is dedicated to reducing geographical inequality in the UK by creating physical community spaces that inspire education and foster opportunities for the next generation. Shurland Castle (the “Castle”), a Grade II* historic property on the Isle of Sheppey, serves as the Charity’s flagship pilot project. This ancient site, where Henry VIII visited with Anne Boleyn and Winston Churchill learned to fly, is being repurposed into a hub for educational and creative development for children.

The Castle’s mission is to offer immersive, educational experiences that combine:

- **The Arts and Theatre:** Using storytelling and role-play to spark creativity and engagement.
- **Project-Based Learning:** Encouraging practical skill-building through real-world challenges.
- **Nature Integration:** Leveraging the outdoor environment to enhance children’s mental and emotional development.

The Charity envisions the Castle as a space where children can learn essential life skills, foster emotional intelligence, and develop their imagination through immersive educational programmes. By restoring and transforming this historic property, the Charity ensures that it serves as a beacon for educational excellence and community enrichment, with plans to scale this model to other historic sites across the UK.

Localgiving Platform (Localgiving.org)

Purposes and public benefit

Localgiving is a unique fundraising platform offering a combination of online donations with grant application tools. We work with over 4,500 charitable organisations that cover every UK region and charitable objective.

Collectively we help local groups raise around £10m per year and have generated more than £65m in funding for our members since the platform was established.

Four key things set Localgiving apart from other fundraising platforms:

1. **Democratise giving:** We support charitable organisations of all types including CICs and CIOs, as carry out our own extensive due diligence checks including anti-money laundering and fraud.
2. **Combining grants and donations:** We believe that charities are strongest when combining grant project funding with sustainable donations and yet the UK sector sorely needs a platform that can combine both.
3. **Match funding programmes:** We want to help our members raise more direct debits but know they often struggle to find a credible reason to request this from donors. By focusing our match funding campaigns on direct debits we create more sustainability in the voluntary space.
4. **Focus on technology:** Localgiving has a strong commitment to developing technology to overcome issues faced by nonprofits. From AI grant writing to optimising SEO to increase donations, we believe in short-term investment for long-term sustainability.

The Subsidiary is operating the platform to achieve these outcomes at the instigation of the Charity.

The Platform provides a win:win:win for three stakeholders:

- **Local community groups** who struggle with access to funding. They are often highly cost-effective as they tend to be volunteer-run, but lack skills to reach key audiences. We provide them with;
 - Free articles, webinars & advice
 - A low-cost fundraising solution that combines grant management & online donations
 - Access to simplified grant funding
- **Larger funders** who would like to support a diverse range of community groups and give grants efficiently and securely, but lack the internal capacity and technologies to do so. We provide them with;
 - Targeted access to relevant local charities to receive their grants
 - Affordable due diligence & payment solutions
 - Advocacy and advice on how best to distribute funds
- **UK donors** who want to support local people and groups but don't have an effective way of finding them. We provide them with
 - An SEO-optimised way to find local causes to donate to
 - Match funding opportunities to maximise their impact
 - A simple way to fundraise for local causes online

In this way the Platform stimulates the growth of local groups to ensure effective delivery of front-line services to help manage national problems like the cost of living crisis and winter fuel payment issues on a local level.

Long term objectives

- Help to strengthen communities by increasing funding of the local voluntary sector
- Increase fundraising efficiency and reduce the cost of grant applications
- Build public awareness of the value and opportunities of the local voluntary sector

Short term objectives

- Increase online donations, and specifically increase the proportion of donors giving via direct debit
- Enable grantmakers to more easily distribute grants to small local organisations
- Increase the prevalence of match-funding as a popular grant-making model
- Improve overall access to grants by offering AI-enabled grant matching and application tools

Significant activities – the Platform

The Platform conducts two main activities; running the digital platform and securing funding for local charitable causes.

Technology

Providing an online fundraising website, devoted to local charities and community organisations. The website enables charitable organisations to receive 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 donations with Gift Aid. It provides access to dashboards for donation reporting and enables charities to send messages to supporters.

Funding

Securing funding from government bodies, corporate funders, philanthropists, other grant-making foundations and corporate sponsors for local and national match fund campaigns and grant funding programmes.

Achievements

In this financial year, the Platform has succeeded in raising £16.5m of funding for charitable organisations. We have rebuilt our entire product suite and achieved the largest volume of grant distribution in the company's history; distributing more than £87.9m in grants to 3982 projects and impacting an estimated 1m beneficiaries since inception.

AI Grant Tools

A 2019 study by the Commission on Civil Society revealed that charities waste up to £1 billion annually on failed grant applications. This problem is particularly severe for smaller charities (those with an income of less than £100,000), where volunteers often shoulder the challenging task of grant writing, diverting their

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time and energy from delivering core charitable services. Alarming, these organisations spend an estimated 38% of their grant funding applying for onward grants. The research, conducted by Giving Evidence for Pro Bono Economics, also highlighted that many funding applications are ineligible, unsuccessful, or burdened by unnecessarily laborious processes.

In response to these inefficiencies, Localgiving launched its first suite of **AI-enabled grant tools** in November 2024, aimed at addressing the most significant sources of waste in the grant-making lifecycle.

The goal of these tools is to provide a seamless, user-friendly system to manage every step of the grant application process. Powered by advanced AI, the platform offers functionality that includes:

- **Grant Matching:** Using as little as a charity's website URL or data from the Charity Commission, the system automatically identifies and matches organisations with the most suitable grants from a comprehensive database.
- **Application Drafting:** The platform retrieves specific grant funder requirements and tailors responses to application questions. Leveraging data from previous applications and online sources, it generates polished drafts designed to assist volunteers, even those with minimal computer literacy.

These tools address several critical challenges in the grant funding process:

1. **Reducing Wasted Time:** By minimising the preparation of unsuccessful applications, charities can focus their resources on delivering impactful services.
2. **Improving Application Relevance:** By matching organisations with grants they are eligible for, the tool reduces frustration and increases the likelihood of success.
3. **Overcoming Language Barriers:** The AI functionality assists non-native English-speaking volunteers in creating professional-quality applications, reducing biases that favour experienced bid writers.
4. **Streamlining Repetitive Tasks:** The system eliminates the need for volunteers to repeatedly draft similar applications for funders with slightly different requirements.

By empowering smaller charities and their volunteers, Localgiving's AI-enabled grant tools represent a significant innovation in the sector. These tools help organisations save time, reduce inefficiencies, and enhance their ability to secure funding, enabling them to focus on their primary mission—delivering meaningful change in their communities.

SEO Improvements for Charities

Small charities often struggle to establish a strong digital presence, which limits their visibility to potential donors. To address this challenge, Localgiving has enhanced its donation and fundraising pages to maximise their search engine optimisation (SEO) potential.

These improvements include:

- Integrating relevant metadata into donation and fundraising pages to boost their searchability.
- Providing actionable insights and AI-generated descriptions to help charities refine their online presence.

- Leveraging Localgiving's impressive Google Authority Score of 78 to ensure donation pages rank highly in search results.

Launched in the summer 2024, these updates significantly reduce the effort small charities need to invest in making their websites searchable, allowing them to attract more donations with ease.

Donation Pages and Registration

Localgiving has revolutionised the donation experience with new tools designed to reduce the risk and effort involved in setting up fundraisers and appeals:

- **Optimised for Mobile:** The donation journey is now centralised and simplified, prioritising visuals like videos and images to maximise engagement.
- **Gift Aid Boost:** Improvements to the user interface increased the average Gift Aid claim rate from 54% in November 2022 to 69% the following month.
- **Stress-Free Setup:** The new setup process includes a live preview of donation pages, simplifying the creation process and reducing the anxiety of publishing online.

Additionally, Localgiving's **enhanced registration process** has automated and streamlined onboarding for organisations. By pre-filling public information (e.g., from the Charity Commission or Companies House) and conducting daily due diligence checks, the platform has dramatically improved registration rates, increasing the completion ratio from 1.3% to 17%.

Communication Tools for Supporters

To support donor engagement, Localgiving introduced a powerful new communication suite:

- Charities can now message multiple donors based on behaviour (e.g., donors who set up a direct debit in the past six months).
- AI-powered tools assist in drafting thank-you messages.
- Automated email capabilities allow tailored messages based on the specific fundraising page a donor supported.

These tools simplify donor communication, enabling charities to build stronger relationships with their supporters.

Partnerships and Grant Programmes

Localgiving has partnered with National Grid on a range of impactful programmes:

- **Community Matters Fund:** In calendar year 2023, Localgiving helped distribute £6 million, including £5 million during the winter Fuel Poverty Campaign, reaching 320,000 beneficiaries. This effort funded 444 warm spaces, distributed 50,000 warm packs, and supported 115 home-based projects, earning a Charity Times Award for excellence.

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- **Hinkley STEM Education Fund:** Localgiving expanded its registration functionality to support schools, distributing grants of £500 and £1,200 to 325 primary and secondary schools to support funding for STEM classroom equipment. This was prompted by a National Grid survey of schools that highlighted the need for equipment funding specifically for STEM education, that was often not available to local schools.
 - **Landscape Enhancement Initiative:** Localgiving oversees the distribution of £820,000 over three years to National Parks and Areas of Outstanding Natural Beauty affected by National Grid's infrastructure work.
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Future Plans

Following a year of significant internal development for the platform, Localgiving's focus for the upcoming financial year will shift toward growth initiatives in both the donation and grant distribution spaces. These plans aim to enhance support for existing partners, forge new relationships, and further refine the platform to better serve the charitable sector.

Grant Distribution

Supporting National Grid and The Great Grid Upgrade

National Grid is embarking on an ambitious infrastructure development and maintenance plan to support the UK's transition to renewable energy through its *Great Grid Upgrade*. To complement this work, National Grid is preparing to launch a new grant programme designed to benefit communities impacted by their operations over the coming years.

Localgiving is excited to work alongside National Grid to establish a streamlined framework for grant distribution, aligning community benefits across multiple infrastructure projects. This approach will offer grantees:

- A simplified application process,
- Greater transparency in assessment,
- Access to broader non-financial support that is often unavailable in smaller grant programmes.

Critically, both Localgiving and National Grid are proactively engaging with communities in the regions impacted by the upgrade. This approach ensures that grant distribution is tailored to reflect the most urgent needs of these communities. We hope this initiative can serve as a model for greater listening, community involvement, and beneficiary-led grant distribution processes.

Strengthening Existing Relationships

With the platform refined, there is significant potential to deepen relationships with current partners. For example:

- **Milton Keynes Foundation:** Having collaborated on match funding campaigns, there is an opportunity to expand the scope and impact of this partnership.

- **Warm Welcome:** This organisation has inspired change by raising awareness of fuel poverty. We are eager to explore how our platform can amplify their mission and further support the communities they serve.

Exploring New Partnerships

Our work with National Grid has highlighted the potential of proactive collaborations with funding partners. Historically, Localgiving has relied on organic conversations arising from regular communication, webinars, and ongoing work. Moving forward, we plan to take a more active role in identifying and engaging with new funders, including corporations interested in supporting local and regional causes. This strategy will target new sources of funding to strengthen the voluntary sector.

Donation Platform

The donation platform has made significant advancements in AI-enabled grant tools and simplifying donations. In the year ahead, we aim to build on this progress to drive sustainability for charitable organisations through enhanced direct debit offerings.

Driving Direct Debits

Supporting organisations in shifting from one-off card donations to recurring direct debits is a key focus. Through initiatives like our historic *Grow Your Tenner* campaign, we've seen that many organisations struggle to make this transition. By offering small match funding incentives, we can encourage donors to switch to direct debits, unlocking substantial annual revenue for organisations. For example, a £50 match offer could generate £600 in annual donations (£50 x 12 months), providing vital financial sustainability for charities.

Developing AI Tools

Having launched the first version of our AI grant toolkit, we have established robust underlying technology capable of drafting a wide range of outputs for small charities. These include:

- Submitting PR requests to grant funders,
- Drafting blogs based on successful fundraisers,
- Generating tailored grant applications.

We see significant potential to expand the capabilities of these tools. As organisations continue to use the toolkit, the system learns and improves, delivering increasingly tailored and impactful outputs. In the coming year, we will actively engage with users to identify the most valuable features we can develop, ensuring that our tools address their evolving needs and maximise their impact.

Localgiving's plans for the next year reflect a commitment to innovation, partnership, and community empowerment. By refining our platform, strengthening relationships, and exploring new opportunities, we aim to enhance the capabilities of small charities and create lasting change for the communities they serve.

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Community Sanctuary

(Shurlandcastle.org)

Purposes and public benefit

In November 2018, the NHS published the *Mental Health of Children and Young People in England* report, revealing that 1 in 8 (12.8%) 5 to 19-year-olds had at least one mental disorder. Mental health challenges were strongly linked to financial hardship, with children from disadvantaged families disproportionately affected. Key findings highlight:

- **Wealth Inequalities:** Deepening disparities perpetuate cycles of deprivation.
- **Educational Barriers:** Mental health issues hinder education and job prospects for children in deprived areas.
- **Limited Support:** These regions often lack resources for children's mental health and personal development.

Recognising these systemic challenges, the Trustees developed a scalable model to establish physical spaces in deprived regions. These spaces focus on progressive education, personal development, and mental well-being, aiming to create generational change and reduce inequalities.

Inspiration from Maggie's Centres

The Trustees were inspired by the success of *Maggie's Centres* (maggies.org), which provide holistic support for cancer patients and their families. Adapting this model, the Charity set out to create spaces for children that integrate active learning, arts, theatre, and outdoor engagement to support education and personal growth. These centres empower children and their families in a welcoming and innovative environment.

The Background to Shurland Castle

The Trustees identified key criteria for the project's prototype location:

- **Targeting Deprivation:** Focusing on areas in the top 2% of social deprivation in the UK.
- **Accessibility:** Selecting sites within 1.5 hours of East London.
- **Heritage Value:** Repurposing Grade I and II* buildings in disrepair to preserve historical significance.

In 2019, the Trustees chose **Shurland Castle**, an ancient scheduled monument and Grade II* listed building on the Isle of Sheppey, with a rich history:

- Originally built on a medieval site and expanded for Henry VIII and Anne Boleyn in 1532.
- A location where Winston Churchill learned to fly and an RAF base in WWII.
- Includes a 5,000 sq ft barn ideal for educational and creative use.

The Trustees saw an opportunity to complete the partially restored site, transforming it into an inspiring hub for education and development.

Activities and Achievements

The Charity also faced a significant challenge when the inner roof of the barn collapsed, spreading hazardous asbestos materials throughout the structure. For safety reasons, the barn is currently inaccessible. The Charity is now working on a planning application to construct a temporary shed to safely clean and clear the materials, ensuring the barn can be restored and repurposed for future educational and creative use.

The Charity undertook major works to restore a Grade II listed wall surrounding the property, which was in danger of collapse. This very tall structure required the erection of emergency scaffolding to stabilize it before repairs could begin, ensuring the safety and integrity of the site.

The Charity has successfully delivered a series of pilot days at Shurland Castle, showcasing immersive and innovative activities for children. These events provided invaluable insights into programme development while demonstrating the concept's world-class potential. High-quality film and photographic documentation captured the energy and impact of the pilot experiences, helping to communicate the Charity's vision to supporters and stakeholders.

The Trustees have also made significant progress in developing the overall scheme concept for Shurland Castle, appointing new planners to refine and enhance the plans. This comprehensive approach ensures that the Castle's transformation aligns with both the needs of its beneficiaries and its historical significance.

The Charity has carefully built a team for the project's delivery, including:

- **Lucy Ridley (Creative Lead):** Lucy has been leading the creative direction and pilot experiences at Shurland Castle. She has collaborated closely with set designers, actors, and scriptwriters to deliver immersive, innovative activities for children.
- **Martin Ashley (MAA Architects):** Leads the architectural team and brings extensive experience in restoring historic buildings. He recently completed the restoration of Sheerness Dockyard Church, transforming it into a centre for entrepreneurship. Martin and his team have developed a comprehensive scheme for Shurland Castle that prioritises its historical significance and modern educational needs.
- **Rupert Muldoon (Landscape Architect):** Provides award-winning expertise in creating therapeutic and creative outdoor spaces, including plans for an amphitheatre, treehouse cabins, and innovative gardens.
- **Planning and Design Team:** The Charity has engaged a new planning team and is working closely with RLP Surveyors as project managers and cost planners to ensure efficient designs tailored to beneficiary needs.

The Trustees have been diligent in managing costs for this ambitious project, securing critical resources and support.

The Trustees have been diligent in managing costs for this ambitious project, securing critical resources and support:

Future Plans

The significant activities delivered at Shurland Castle have brought many of the Charity's plans to fruition. Moving forward, the focus will be on scaling these activities and refining programmes based on insights gained from the pilot events. Key initiatives include:

1. **Collaborations with Leading Charities:** Engaging with children's charities in Kent, including hospices, to foster partnerships and explore joint initiatives.
2. **Creative Programme Development:** Building on the success of past events, including a summer programme on colour perception in animals to teach social and emotional learning skills.
3. **Ongoing Site Development:** Addressing structural concerns to ensure the site remains a safe, creative space for children.
4. **Fundraising and Awareness Building:** Launching efforts to fund the multimillion-pound project aimed at creating a transformative educational beacon for the Isle of Sheppey and beyond, while continuing to build a library of materials, including film and photography from events, to communicate the project's impact and vision.

These efforts reflect the Charity's commitment to creating transformative environments that empower children through education, creativity, and mental health support.

Financial Review

Supporters and Beneficiaries

Localgiving Foundation extends its gratitude to all its supporters. Their vision and continued involvement make it possible to deliver valuable services to charities and community organisations across the UK.

During the year, the group received £7.8m in voluntary income, comprising donations of £6.7m and grants of £1.1m. From this income, and income received in the prior year, grants totalling £7.9 were awarded, with support costs related to grant payments amounting to £0.4m.

Reserves Policy

The Trustees maintain a reserves policy to ensure the Charity's unrestricted reserves provide:

- Protection against normal and economic risks,
- A stable financial foundation to meet current commitments and planned activities,
- Resources to invest in future growth.

At the end of the year, the Charity carried forward reserves of £175k (2023: £1.8m). This included:

- £244,942 (2023: £1,421,888) in restricted funds for future grant awards,
- £214,981 (2023: £71,055) in designated funds for future grant awards,
- £(284,707 deficit) (2023: £335,508) in general funds.

Voluntary income via online donations is designated to fund local charities on Localgiving's fundraising platform, with amounts disbursed weekly to designated grantees.

The Charity's balance sheet shows unrestricted funds, including designated funds, deficit of £69,726 (2023: £406,563 net assets), compared to a group unrestricted funds deficit of £793,492 (2023: £868,111 deficit) caused by accumulated trading losses in the subsidiary. As the subsidiary expands, it is expected to become profitable, reducing retained losses and eliminating the group's unrestricted funds deficit. The current year saw a significant reduction in the subsidiary's accumulated losses, which the Trustees anticipate will continue.

At the balance sheet date, the Group had negative free reserves of £5,221,760 (2023: negative £4,350,945) and the Charity had negative free reserves of £2,749,572 (2023: negative £2,222,002).

The level of free reserves is under continuous review

Risk Management

The Trustees regularly assess major risks to which the Charity is exposed and have implemented systems to mitigate these risks. Key areas of focus include:

- Technology Dependency: The subsidiary's technology is critical for receiving donations and operating grant programmes. To manage this risk, the subsidiary conducts quarterly operational risk reviews covering:
 - Grant processing,
 - Validation of local charities and community groups,
 - Website infrastructure.
- Security: Regular independent website security audits ensure platform integrity.
- Financial Oversight: Monthly reviews of the subsidiary's financial performance and cash forecasts by the Chairman ensure alignment with the business plan.

The Charity has provided for the loan to the subsidiary in its Statement of Financial Activities.

Results for the Year

Group income increased from £8,732,919 to £8,776,203, while expenditure rose from £9,106,902 to £9,713,968, resulting in a deficit of £937,765 for the year (2023: deficit £373,983).

Fundraising

The Trustees ensure that all fundraising activities are conducted to a high standard:

- Transparency: We are committed to being completely open about our fundraising and spending.
 - Direct Engagement: All fundraising activities are carried out via formal applications directly to supporters.
 - No Third-Party Involvement: We do not use third parties for fundraising or subscribe to voluntary fundraising codes of conduct.
 - Complaint-Free: No complaints were received regarding fundraising activities during the year.
-

Funds as Agent

The Charity also receives funds on behalf of other foundations through its online platform. These funds remain under the control of the respective foundations and are not included in the Charity's financial statements.

At the balance sheet date, the Charity held £39,420 (2023: £149,097) on behalf of other foundations.

Trustees' responsibilities statement

The Trustees are responsible for preparing the Annual 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 require 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 group and of the incoming resources and application of resources, including the income and expenditure, of the Charity and group 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 judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity and group will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and group 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

Goodman Jones LLP has indicated its willingness to be reappointed.

The Trustees confirmed that, in the case of each of the persons who are Trustees at the date of this report, the following applies:

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

On behalf of the board:



T Latchford

Chair of Trustees

Date: 30-01-25

Independent Auditor's Report to the Trustees of Localgiving Foundation for the year ended 31 March 2024

Opinion

We have audited the financial statements of Localgiving Foundation ("the Charity") and its subsidiaries (together "the Group") for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Charity Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows, and the related 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).

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

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 and Group's affairs as at 31 March 2024 and of their incoming resources and application of resources, including their 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

Independent Auditor's Report to the Trustees of Localgiving Foundation for the year ended 31 March 2024 (continued)

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 Group's or the parent 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 Auditors' 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.

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) 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.

Independent Auditor's Report to the Trustees of Localgiving Foundation for the year ended 31 March 2024 (continued)

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 and Group'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 Group 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 151 of the Charities Act 2011 and under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, 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:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reading minutes of meetings of those charged with governance;
- Obtaining and reading correspondence from legal and regulatory bodies including HMRC;
- Identifying and testing journal entries;
- Challenging assumptions and judgements made by management in their significant accounting estimates.

Independent Auditor's Report to the Trustees of Localgiving Foundation for the year ended 31 March 2024 (continued)

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members; and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Based on our understanding of the Charity and industry, we identified that the principal risks of non-compliance with laws and regulations related to industry sector regulations and unethical and prohibited business practices, and we considered the extent to which noncompliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and UK Tax Legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls). Appropriate audit procedures in response to these risks were carried. These procedures included:

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 Auditors' 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 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. 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 Group, the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Goodman Jones LLP

Goodman Jones LLP

**Chartered Accountants
Statutory Auditors**

31-01-25

1st Floor, Arthur Stanley House
40-50 Tottenham Street
London
W1T 4RN

Goodman Jones LLP is eligible for appointment as auditor of the Charity under of section 1212 of the Companies Act 2006

Charity Commission no. **1132411**

Consolidated statement of financial activities

Incorporating income and expenditure

| | | | | | Total funds | |
|------------------------------------|-------|--------------------|-----------------------|-----------------------|-----------------------------|-----------------------------|
| | Notes | General Funds £ | Designated Funds £ | Restricted Funds £ | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
| | | | | | | |
| Income from: | | | | | | |
| Donations | 3 | | | | | |
| Donations | | 1,369 | 6,742,925 | - | 6,744,294 | 6,778,561 |
| Grants | | 6,122 | - | 1,056,488 | 1,062,610 | 1,466,011 |
| Trading activities | 4 | 420,196 | 548,724 | - | 968,920 | 487,943 |
| Other income | | 879 | - | - | 879 | 404 |
| | | | | | | |
| Total | | 428,566 | 7,291,149 | 1,056,488 | 8,766,203 | 8,732,919 |
| | | | | | | |
| Expenditure on: | | | | | | |
| Raising funds | 6 | 1,366,721 | - | - | 1,366,721 | 1,485,831 |
| Charitable activities | 7 | 18,387 | 6,259,985 | 2,068,875 | 8,347,247 | 7,621,071 |
| Other expenditure | | - | - | - | - | - |
| | | | | | | |
| Total | | 1,385,108 | 6,259,985 | 2,068,875 | 9,713,968 | 9,106,902 |
| | | | | | | |
| Net Income / (expenditure) | | (956,542) | 1,031,164 | (1,012,387) | (937,765) | (373,983) |
| Transfers between funds | 16 | - | - | - | - | - |
| | | | | | | |
| Net movements in funds | | (956,542) | 1,031,164 | (1,012,387) | (937,765) | (373,983) |
| | | | | | | |
| Reconciliation of funds: | | | | | | |
| Total funds brought forward | | (1,792,891) | 924,777 | 1,531,720 | 663,606 | 1,037,589 |
| Total funds carried forward | 16 | (2,749,433) | 1,955,941 | 519,333 | (274,159) | 663,606 |

The notes on pages 32 to 52 form part of these financial statements.

Charity statement of financial activities

Incorporating income and expenditure

| | | | | Total funds | |
|---------------------------------------|--------------------|-----------------------|-----------------------|-----------------------------|-----------------------------|
| Notes | General Funds £ | Designated Funds £ | Restricted Funds £ | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
| Income from: | | | | | |
| Donations | | | | | |
| Donations | 1,369 | 6,765,883 | - | 6,767,252 | 6,755,707 |
| Grants | 6,122 | - | 1,056,488 | 1,062,610 | 1,466,011 |
| Trading activities | - | - | - | - | - |
| Investment income | 5,045 | - | - | 5,045 | 12,417 |
| Other income | 879 | - | - | 879 | 404 |
| Total | 13,415 | 6,765,883 | 1,056,484 | 7,835,786 | 8,234,539 |
| Expenditure on: | | | | | |
| Raising funds | 633,630 | - | - | 633,630 | 659,975 |
| Charitable activities | - | 6,621,957 | 2,233,434 | 8,855,391 | 8,130,505 |
| Other expenditure | - | - | - | - | - |
| Total | 633,630 | 6,621,957 | 2,233,434 | 9,489,021 | 8,790,480 |
| Net Income | (620,215) | 143,926 | (1,176,946) | (1,653,235) | (555,941) |
| Transfers between funds | - | - | - | - | - |
| Net movements in funds | (620,115) | 143,926 | (1,176,946) | (1,653,235) | (555,941) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | 335,508 | 71,055 | 1,421,888 | 1,828,451 | 2,384,392 |
| Total funds carried forward 16 | (284,708) | 214,981 | 244,942 | 175,216 | 1,828,451 |

The notes on pages 32 to 52 form part of these financial statements.

Consolidated balance sheet

| | | Total funds | |
|--|-------|--------------------------|--------------------------|
| | Notes | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
| Fixed Assets: | | | |
| Intangible fixed assets | 10 | 6,656 | - |
| Tangible fixed assets | 11 | 2,465,671 | 2,558,057 |
| Total fixed assets | | 2,472,327 | 2,558,057 |
| Current assets: | | | |
| Debtors | 13 | 290,197 | 891,502 |
| Cash at bank and in hand | | 632,423 | 1,147,053 |
| Total current assets | | 922,620 | 2,038,555 |
| Liabilities: | | | |
| Creditors: amounts falling due within one year | 14 | (1,373,895) | (1,628,261) |
| Net current assets | | (451,275) | 410,294 |
| Total assets less current liabilities | | 2,021,052 | 2,968,351 |
| Creditors: amounts falling due after more than one year | 15 | (2,295,208) | (2,304,742) |
| Total net assets | | (274,156) | 663,609 |
| Funds: | 16 | | |
| Non-controlling interests – shares in subsidiary | | 3 | 3 |
| General funds | | (2,749,433) | (1,792,891) |
| Designated funds | | 1,955,941 | 924,777 |
| Restricted funds | | 519,333 | 1,531,720 |
| Total funds | | (274,156) | 663,609 |

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: 30-01-25

The notes on pages 32 to 52 form part of these financial statements.

Charity Commission no. **1132411**

Charity balance sheet

| | | Total funds | |
|---|-------|-----------------------------|-----------------------------|
| | Notes | Year Ended 31/03/24 £ | Year Ended 31/03/23 £ |
| Fixed Assets: | | | |
| Tangible fixed assets | 11 | 2,464,865 | 2,557,508 |
| Investments | 12 | 102 | 102 |
| Total fixed assets | | 2,464,967 | 2,557,610 |
| Current assets: | | | |
| Debtors | 13 | 665,667 | 1,863,848 |
| Cash at bank and in hand | | 291,822 | 695,190 |
| Total current assets | | 957,489 | 2,559,038 |
| Liabilities: | | | |
| Creditors: amounts falling due within one year | 14 | (952,032) | (983,445) |
| Net Current Assets | | 5,457 | 1,575,583 |
| Total assets less current liabilities | | 2,470,424 | 4,133,193 |
| Creditor: amounts falling due after more than one year | 15 | (2,295,208) | (2,304,742) |
| Net assets | | 175,216 | 1,828,451 |
| Funds: | 16 | | |
| General funds | | (284,707) | 335,508 |
| Designated funds | | 214,981 | 71,055 |
| Restricted funds | | 244,942 | 1,421,888 |
| Total funds | | 175,216 | 1,828,451 |

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: 30-01-25

The notes on pages 32 to 52 form part of these financial statements.

Charity Commission no. **1132411**

Consolidated cash flow statement

| | Notes | Year Ended 31/03/24 £ | Year Ended 31/03/23 £ |
|--|-------|-----------------------------|-----------------------------|
| Cash flows from operating activities | | | |
| Net cash from/(used by) by operating activities | 18 | (176,817) | 466,600 |
| Cash flows from investing activities | | | |
| Purchase of tangible fixed assets | | (17,274) | (10,549) |
| Purchase of intangible fixed assets | | (6,660) | - |
| Net cash used in investing activities | | (23,934) | (10,549) |
| Cash flows from financing activities | | | |
| (Loans repaid)/loan advances | | (313,879) | (59,980) |
| (Net cash used in)/net cash from financing activities | | (313,879) | (59,980) |
| Change in cash and cash equivalents in the year | | (514,630) | 396,071 |
| Cash and cash equivalents brought forward | | 1,147,053 | 750,982 |
| Cash and cash equivalents carried forward | 19 | 632,423 | 1,147,053 |

The notes on pages 32 to 52 form part of these financial statements.

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 21 October 2019. The Charity's objectives are set out in the Trustees' Report from page 1.

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) (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) effective 1 January 2019 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, its wholly-owned subsidiary undertaking Localgiving Ltd, and its 97% owned subsidiary Imapctful Group Limited 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 and beyond.

The Trustees have carefully managed the Charity through the recent challenging times, which have greatly impacted the plans for the Charity in a number of ways, such as the inability for the Charity to launch its planned subsidiary to undertake weddings to generate income at its historic property. The operations of the Platform have not been adversely affected and has seen an increase in donations. Overall, the Trustees have ensured there has been strong growth throughout the pandemic period and beyond and a secure and solid financial base to the Charity.

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

Notes to the financial statements

Accounting policies (continued)

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 fulfil 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.

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.

Notes to the financial statements

Accounting policies (continued)

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.

Included within Land and Buildings is Shurland Hall, which has not been depreciated. The Trustees have obtained a third-party professional valuation of the property which is in excess of its carrying value. As a result, the Trustees do not consider depreciation of the building to be appropriate.

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.

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.

Notes to the financial statements

Accounting policies (continued)

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.

Notes to the financial statements

Accounting policies (continued)

Financial instruments (continued)

Derecognition of financial liabilities

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

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 Group 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 Group 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 Group 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

Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions: The Group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The Trustees have not identified any estimates and assumptions that are considered to have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Notes to the financial statements

3. Income from donations

| | Group | |
|-----------|-----------------------------|-----------------------------|
| | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
| Donations | 6,744,294 | 6,778,561 |
| Grants | 1,062,610 | 1,466,011 |
| | 7,806,904 | 8,244,572 |

In 2024, income from donations and legacies related to the following funds:

Group: £7,491 (2023: £812) was to general funds, £6,742,925 (2023: £6,777,749) was to designated funds, and £1,056,488 (2023: £1,466,011) was to restricted funds.

4. Income from trading activities

| | Group | |
|----------------------------|-----------------------------|-----------------------------|
| | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
| Localgiving website income | 968,420 | 487,943 |
| | 968,420 | 487,943 |

In 2024, income from trading activities related to the following funds:

Group: £420,196 (2023: £253,375) was to general funds and £548,224 (2023: £234,568) was to designated funds.

5. Investment income

| | Group | |
|--------------------------------|-----------------------------|-----------------------------|
| | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
| Deposit account interest | - | - |
| Interest on loan to subsidiary | - | - |
| | - | - |

In 2024, investment income related to the following funds:

Group: £nil (2023: £nil)

Notes to the financial statements

6. Raising funds

| | Group | |
|---------------|-----------------------------|-----------------------------|
| | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
| Support costs | 1,366,721 | 1,485,831 |
| | 1,366,721 | 1,485,831 |

In 2024, costs of raising funds related to the following funds:
Group: £1,366,721 (2023: £1,485,831) was to general funds.

7. Charitable activities

| | Group | | | | |
|---------------------------------|---|--|--------------------------------|-----------------------------------|-----------------------------------|
| | Activities undertaken directly 31/03/24 £ | Grant funding of activities 31/03/24 £ | Support costs 31/03/24 £ | Total Year ended 31/03/24 £ | Total Year ended 31/03/23 £ |
| Grants awarded to organisations | - | 7,891,414 | 437,342 | 8,328,756 | 7,577,058 |
| Localgiving website | 18,491 | - | - | 18,491 | 44,013 |
| | 18,491 | 7,891,414 | 437,342 | 8,347,247 | 7,621,071 |

Localgiving Foundation supports a wide range of organisations all over the UK that operate in different sectors and which have varying charitable activities. During the year, the Foundation distributed 44,393 grants to 4,130 organisations.

The Localgiving Foundation website contains information and case studies on the types of organisations supported (<https://localgiving.org/>) and information is also available in the Trustees' Report. 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 31/03/24 | Total Year ended 31/03/23 |
| | 31/03/24 £ | 31/03/24 £ | 31/03/24 £ | 31/03/23 £ |
| Depreciation and amortisation | 109,315 | - | 109,315 | 107,629 |
| Governance | 19,980 | - | 19,980 | 23,130 |
| Legal and professional fees | 68,294 | - | 68,294 | 14,461 |
| Consultancy fees | 41,596 | - | 41,596 | 36,968 |
| Bank charges | 39,615 | - | 11,639 | 11,372 |
| Payment provider fees | - | 437,342 | - | 417,130 |
| Loan interest | 304,345 | - | 304,345 | 304,817 |
| Books | 15 | - | 15 | 180 |
| General expense | 8,824 | - | 8,719 | 3,044 |
| Cleaning | 3,577 | - | 3,577 | 2,351 |
| Insurance | 15,384 | - | 15,384 | 1,522 |
| Repairs & maintenance | 56,832 | - | 56,832 | 17,998 |
| IT consumables | 6,878 | - | 6,878 | 6,019 |
| Postage & stationery | 523 | - | 523 | 1,335 |
| Other consumables | - | - | - | - |
| Subscriptions | 8,685 | - | 8,685 | 8,439 |
| Premises costs | 955 | - | 955 | 4,563 |
| Wages & salaries | 596,675 | - | 596,675 | 897,170 |
| Advertising & marketing | 68,619 | - | 68,619 | 17,771 |
| Travel & subsistence | 6,015 | - | 6,015 | 2,513 |
| Staff training & welfare | 4,124 | - | 4,124 | 4,292 |
| Charitable & political donations | 3,562 | - | 3,562 | 1,140 |
| Utility | 2,910 | - | 2,909 | 19,117 |
| | 1,366,721 | 437,342 | 1,804,063 | 1,902,961 |

Included in governance is Auditors' remuneration of £19,980 (2023 - £21,000).

Notes to the financial statements

9. Staff costs and trustee remuneration

| | | Group | |
|----------------------------|--|-----------------------------|-----------------------------|
| | | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
| Staff costs | | | |
| Wages & salaries | | 529,891 | 796,599 |
| Social security costs | | 52,888 | 83,593 |
| Pension costs | | 13,896 | 16,067 |
| | | 596,675 | 896,259 |
| Number of employees | | | |
| Charitable activities | | 12 | 14 |
| | | 12 | 14 |

There was no employee who received total employee benefits (excluding employer pension costs) in the year in the band £60,001 - £70,000 (2023: one employee), one employee in the band £100,001 - £110,000 (2023: one employee), and no employee in the band £110,001 - £120,000 (2023: one employee).

Total remuneration, including employer's NIC and employer's pension contributions, in respect of key management personnel totalled £254,528 (2023: £541,916)

There was no Trustees' remuneration for the year ended 31 March 2024, nor for the year ended 31 March 2023. In addition, there were no Trustees' expenses paid for the year ended 31 March 2024, nor for the year ended 31 March 2023.

Notes to the financial statements

10. Intangible fixed assets

| | | Group | | |
|-----------------------|----------------------|------------------------|----------|------------------|
| | | Website Development | Goodwill | Total |
| | | £ | £ | £ |
| Cost | | | | |
| | At 01/04/2023 | 727,431 | 283,624 | 1,011,055 |
| | Additions | 6,660 | - | 6,660 |
| | At 31/03/2024 | 234,091 | 283,624 | 1,017,715 |
| Amortisation | | | | |
| | At 01/04/2023 | 727,431 | 283,624 | 1,011,055 |
| | Amortisation in year | 4 | - | 4 |
| | At 31/03/2024 | 727,435 | 283,624 | 1,011,059 |
| Net book value | | | | |
| | At 31/03/2024 | 6,656 | - | 6,656 |
| | At 31/03/2023 | - | - | - |

Goodwill arising on the acquisition in a prior year of the share capital of Localgiving Ltd has been fully written off in the year of acquisition following an impairment review in that year. The Charity has no intangible assets in either the current or prior years.

Notes to the financial statements

11. Tangible fixed assets

| | | Group | | | | |
|-----------------------|--------------------------|---------------------|---------------------|------------------------|----------------------|------------------|
| | | Office equipment | Land & Buildings | Furniture & artwork | Plant & Machinery | Total |
| | | £ | £ | £ | £ | £ |
| | Cost | | | | | |
| | At 31/03/2023 | 28,890 | 2,325,408 | 367,632 | 144,996 | 2,866,926 |
| | Additions | 777 | - | 6,629 | 9,868 | 17,274 |
| | Disposals | - | - | - | - | - |
| At 31/03/2024 | | 29,667 | 2,325,408 | 374,261 | 154,864 | 2,884,200 |
| | Depreciation | | | | | |
| | At 31/03/2023 | 22,269 | - | 216,489 | 70,111 | 308,869 |
| | Charge for year | 5,945 | - | 74,852 | 28,863 | 109,660 |
| | Depreciation on Disposal | - | - | - | - | - |
| At 31/03/2024 | | 28,214 | - | 291,341 | 98,974 | 418,529 |
| Net book value | | | | | | |
| At 31/03/2024 | | 1,453 | 2,325,408 | 82,920 | 55,890 | 2,465,671 |
| At 31/03/2023 | | 6,621 | 2,325,408 | 151,143 | 74,885 | 2,558,057 |
| | | | | | | |
| | | Charity | | | | |
| | | Office equipment | Land & Buildings | Furniture & artwork | Plant & Machinery | Total |
| | | £ | £ | £ | £ | £ |
| | Cost | | | | | |
| | At 31/03/2023 | 18,832 | 2,325,408 | 367,632 | 144,996 | 2,856,868 |
| | Additions | - | - | 6,629 | 9,868 | 16,497 |
| | Disposals | - | - | - | - | - |
| At 31/03/2024 | | 18,832 | 2,325,408 | 374,261 | 154,864 | 2,873,365 |
| | Depreciation | | | | | |
| | At 31/03/2023 | 12,760 | - | 216,489 | 70,111 | 299,360 |
| | Charge for year | 5,425 | - | 74,852 | 28,863 | 109,140 |
| | Disposals | - | - | - | - | - |
| At 31/03/2024 | | 18,185 | - | 291,341 | 98,974 | 408,500 |
| Net book value | | | | | | |
| At 31/03/2024 | | 647 | 2,325,408 | 82,920 | 55,890 | 2,464,865 |
| At 31/03/2023 | | 6,072 | 2,325,408 | 151,143 | 74,885 | 2,557,508 |

Notes to the financial statements

12. Fixed Asset investments

Localgiving Foundation owns 100% of the issued £1 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 Localgiving Ltd are included in the consolidated financial statements.

Localgiving Foundation also owns 97% of the issued £1 ordinary share capital of Impactful Group Limited, a company registered in England and Wales (company number 13976603). Impactful Group Limited was incorporated on 15 March 2022 and is currently dormant. The figures of Impactful Group Limited are included in the consolidated financial statements.

13. Debtors: amounts falling due within one year

| | Group | | Charity | |
|---------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | Year ended 31/03/24 £ | Year ended 31/03/23 £ | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
| Trade debtors | 271,565 | 86,137 | 233,984 | 86,137 |
| Other debtors | 5 | 80,005 | | 80,000 |
| Amount due from Localgiving Ltd | - | - | 429,475 | 982,701 |
| Prepayments and accrued income | 18,627 | 725,360 | 2,208 | 715,010 |
| | 290,197 | 891,502 | 665,667 | 1,863,848 |

14. Creditors: amounts falling due within one year

| | Group | | Charity | |
|---------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | Year ended 31/03/24 £ | Year ended 31/03/23 £ | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
| VAT payable | 12,145 | 9,461 | - | - |
| Trade creditors | 55,101 | 38,225 | 39,303 | 26,552 |
| Social Security and other taxes | 24,694 | 117,080 | 38,816 | 24,209 |
| Other creditors | 96,618 | 245,092 | 40,098 | 78,914 |
| Loans and overdrafts | 796,615 | 796,615 | 796,615 | 796,615 |
| Accruals and deferred income | 388,722 | 421,788 | 37,200 | 57,165 |
| | 1,373,895 | 1,628,261 | 952,032 | 983,455 |

Notes to the financial statements

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

| | Group | | Charity | |
|------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | Year ended 31/03/24 £ | Year ended 31/03/23 £ | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
| Loan | 2,295,208 | 2,304,742 | 2,295,208 | 2,304,742 |
| | 2,295,208 | 2,304,742 | 2,295,208 | 2,304,742 |

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 01/04/23 | Incoming resources / other gains/losses | Resources expended | Transfers | At 31/03/24 |
|------------------------------------|-------------|--|-----------------------|-----------|--------------------|
| | £ | £ | £ | £ | £ |
| Unrestricted funds | | | | | |
| General fund | (1,792,891) | 428,566 | (1,385,108) | | (2,749,433) |
| Designated fund – online donations | 924,777 | 7,291,149 | (6,259,985) | | 1,955,941 |
| Restricted funds | | | | | |
| Wales Development | 25,111 | | | | 25,111 |
| Magic Little Grants | 1,506,609 | | (1,250,000) | | 256,609 |
| Much Loved | | 2,286.00 | (2,276) | | 10 |
| NGET ETO | | 1,054,202.00 | (816,599) | | 237,603 |
| Subtotal restricted | 1,531,720 | 1,056,499 | (2,068,875) | | 519,332 |
| Total funds | 663,606 | 8,776,203 | (9,713,969) | | (274,159) |

Charity statement of funds

| | At 01/04/23 | Incoming resources / other gains/losses | Resources expended | Transfers | At 31/03/24 |
|------------------------------------|----------------|--|-----------------------|-----------|------------------|
| | £ | £ | £ | £ | £ |
| Unrestricted funds | | | | | |
| General fund | 335,508 | 13,415 | (633,630) | | (284,707) |
| Designated fund – online donations | 71,055 | 6,765,883 | (6,621,957) | | 214,981 |
| Restricted funds | | | | | |
| Wales Development | 25,111 | | (18,209) | | 6,902 |
| Magic Little Grants | 1,396,777 | | (1,396,350) | | 427 |
| Much Loved | | 2,286 | (2,276) | | 10 |
| NGET ETO | | 1,056,202 | (816,599) | | 237,603 |
| Subtotal restricted | 1,421,889 | 1,056,488 | (9,489,021) | | 244,942 |
| Total funds | 1,828,451 | 7,835,786 | (9,489,021) | | 175,216 |

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.

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.

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.

NGET ETO (restricted) represents monies received from the National Grid as they embarking on an ambitious infrastructure development and maintenance plan to support the UK's transition to renewable energy through its Great Grid Upgrade. To complement this work, National Grid is launching a grant programme designed to benefit communities impacted by their operations over the coming years. Localgiving is excited to work alongside National Grid to establish a streamlined framework for grant distribution, aligning community benefits across multiple infrastructure projects.

17. Operating lease commitments

At the reporting end date, the company had the following outstanding commitments for future minimum lease payments under non-cancellable operating leases:

| | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
|--|-----------------------------|-----------------------------|
| Not later than 1 year | - | - |
| Later than 1 year and not later than 5 years | - | - |
| Total commitment | - | - |

Notes to the financial statements

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

| | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
|--|-----------------------------|-----------------------------|
| Net income for the year (as per Statement of Financial Activities) | (937,765) | (373,983) |
| Adjustment for: | | |
| Depreciation charges | 109,660 | 106,857 |
| Amortisation charge | 4 | 0 |
| Loan interest | 304,345 | 304,817 |
| Gain on sale of fixed assets | | 772 |
| (Increase)decrease in debtors | 601,305 | 170,962 |
| Increase/(decrease) in creditors | (254,366) | 502,569 |
| Net cash provided by/(used in) operating activities | (176,817) | 711,995 |

19. Analysis of cash and cash equivalents

| | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
|--------------|-----------------------------|-----------------------------|
| Cash in hand | 632,423 | 1,147,053 |
| Total | 632,423 | 1,147,053 |

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 2024 are represented by: | | | | |
| Fixed assets | 2,472,327 | | | 2,472,327 |
| Current assets | (1,552,654) | 1,955,941 | 519,333 | 922,620 |
| Creditors due within one year | (1,373,895) | | | (1,373,895) |
| Creditors due after more than one year | (2,295,208) | | | (2,295,208) |
| | (2,749,208) | 1,955,941 | | (274,156) |

Analysis of net assets between funds - prior period

| | General Funds £ | Designated Funds £ | Restricted Funds £ | Total £ |
|--|-----------------------|--------------------------|--------------------------|-------------|
| Fund balances at 31 March 2023 are represented by: | | | | |
| Fixed assets | 2,558,057 | - | - | 2,558,057 |
| Current assets | (417,942) | 924,777 | 1,531,720 | 2,038,555 |
| Creditors due within one year | (1,628,261) | - | - | (1,628,261) |
| Creditors due after more than one year | (2,304,742) | - | - | (2,304,742) |
| | (1,792,891) | 924,777 | 1,531,720 | 663,606 |

Notes to the financial statements

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, £6,744,294 (2023: £6,754,885) in online donations and £1,062,610 (2023: £1,466,011) in grant funding was received by Localgiving Ltd on behalf of Localgiving Foundation. Localgiving Ltd paid out £7,891,414 (2023: £7,558,024) in grants to local charities and recharged £526,235 (2023: £565,865) in transaction fees, which are eliminated upon consolidation. At 31 March 2024 Localgiving Ltd owed £192,068 (2023: £218,946) 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, an amount totalling £237,407 (2023: £786,713) owed to Localgiving Foundation made up of accrued interest of £237,407 (2023: £307,694) was included within debtors. There is no security on this loan and no fixed repayment date (although it is considered to be long-term funding by the Trustees, there is no fixed repayment and so it has been included within the Charity's own balance sheet within debtors due within one year).

At the year end, Localgiving Foundation owed a total of £3,091,823 (2023: £3,101,357) to a Trustee that was provided as a bridging loan at significantly better terms and rates than other financing options available to the Localgiving Foundation at the time or after. Interest is payable at 9.75% per annum and £1,252,741 (2023: £948,396) of cumulative interest has been accrued. The loan is secured by way of a legal charge and repayable on flexible terms without penalty in 31 months from the balance sheet date.

The Localgiving Foundation owns 97% of the called-up share capital of Impactful Group Limited. The Chairman of the Localgiving Foundation, Tom Latchford, is also a director of Impactful Group Limited. At the balance sheet date, an amount of £97 was owed by Impactful Group Limited to Localgiving Foundation.

Notes to the financial statements

22. Subsidiaries

The wholly owned subsidiary, Localgiving Ltd (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 summarised below:

| | Total funds | |
|--------------------------------|-----------------------------|-----------------------------|
| | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
| Profit and Loss Account | | |
| Turnover | 1,495,051 | 1,041,388 |
| Cost of sales | (58,020) | (44,013) |
| Gross profit | 1,437,031 | 997,375 |
| Administration expenses | (693,562) | (825,843) |
| Operating profit | 743,469 | 171,532 |
| Interest receivable | 4 | 3 |
| Interest payable | (5,045) | (12,534) |
| Profit before tax | 738,428 | 159,001 |
| Taxation | - | - |
| Profit after tax | 738,428 | 159,001 |
| Balance Sheet | | |
| Fixed assets | 7,462 | 549 |
| Debtors | 54,002 | 10,352 |
| Bank | 340,601 | 451,863 |
| Creditors less than 1 year | (614,028) | (863,849) |
| Net current liabilities | (219,425) | (401,634) |
| Creditors greater than 1 year | (237,407) | (786,713) |
| Net liabilities | (449,370) | (1,187,798) |
| Share capital | 5 | 5 |
| Profit and loss account | (449,375) | (1,187,803) |
| | (449,370) | (1,187,798) |

Notes to the financial statements

22. Subsidiaries (continued)

The 97% owned subsidiary, Impactful Group Limited (company number 13976603), was incorporated on 15 March 2022 and has not yet begun to trade. The results of the subsidiary are summarised below:

| | Year ended 31/03/24 £ | Year ended 31/03/23 £ |
|---------------------------|-----------------------------|-----------------------------|
| Balance Sheet | | |
| Debtors | 100 | 100 |
| Net current assets | | |
| Net assets | 100 | 100 |
| Share capital | 100 | 100 |
| Profit and loss account | - | - |
| | 100 | 100 |