

IT'S A PENALTY
(Formerly HAPPY CHILD INTERNATIONAL FOUNDATION)
(A Charitable Incorporated Organisation)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

Charity No: 1161848

**IT'S A PENALTY
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**IT'S A PENALTY
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Reference and Administrative Information

Registered Charity Number

1161848

Trustees

The Trustees serving during the year and since the year end were as follows:

C Williamson

K Corich

E McAlpine

C McLellan

A Akintoye

L McMahon Appointed 3rd October 2023

B Patel Resigned 25th July 2023

Management

SL de Carvalho MBE

Principal office

Leatherhead Institute
67 High Street
Leatherhead
KT22 8AH

Independent Examiner

Mr S Robinson
Chartered Accountant
420 Silbury Boulevard
Central Milton Keynes
MK9 2AF

Bankers

Santander
Customer Service Centre
Bootle
Merseyside
L30 4GB

**IT'S A PENALTY
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Report of the Trustees

Trustees Report

The Trustees present their Annual Report and financial statements of the Charitable Incorporated Organisation for the year ended 30 September 2023. The financial statements comply with the Charities Act 2011, the Trust's Deed and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Structure, Governance and Management

Charitable status

It's a Penalty is a Charitable Incorporated Organisation (CIO) governed by its constitution and has charitable status under the Charities Commission Association, Charity Number; 1161848. The CIO was recognised by the Charity Commission on 27 May 2015.

Organisation structure

The Trustees assume responsibility for the day to day management of the CIO and almost all executive roles are undertaken by the Trustees.

The Board of Trustees meets six times each year to discuss current and future projects and to approve decisions such as the appointment of new Trustees and the remuneration of the one key management employee.

Trustee Recruitment and Appointment

The Trustees were recruited with complementary skills and experience in mind from the corporate, public and third sectors. Each bring a contribution of global networking, strategic management, marketing, international development, accountancy.

Katherine Corich is our Chair. She is founder and Global CEO of Sysdoc. Voted UK New Zealander in 2015, Katherine is a global networker and engages her staff in the work of the campaign. Sysdoc is one of the campaign's partners.

Christianne Williamson is a strategic communications expert currently leading a global DFID-funded campaign to end female genital mutilation. Christianne brings expertise in partnership and resource leveraging, having worked in various international development organisations.

Ewen McAlpine, works for Macaulay Search, and provides executive search services to organisations with just objectives. He is a strong networker providing valuable contacts and introductions in the Third and Commercial sectors.

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FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Report of the Trustees (cont.)

Structure, Governance and Management (cont.)

Colin McLellan is a Chartered Accountant who, prior to retirement, was Finance Director of MJ Gleeson Group plc.

Adeola Akintoye is a member of the Association of Certified Accountants and has a Masters degree in Business Information Technology. She has worked in the International Charity sector in leadership positions including Greenpeace International and is currently Director of Finance in MEDAIR.

Liz McMahon is Managing Director of Madison Muir Group, strategic brand and sponsorship advisors, and a Non-Executive Director and Trustee. She sits on the LTA (Lawn Tennis Association) Judicial Panel for Safeguarding. She is also a published author and speaker on Olympic Games marketing and Brand.

Trustee Induction and Training

When recruiting new Trustees, the Board ensures that such candidates fully understand the Charity's purposes and aims and possess the necessary skills to carry out their responsibilities.

Risk Management

The Trustees accept that the management of risk is ultimately their responsibility and, having examined the major strategic, business and operational risks which the CIO faces, confirm that appropriate control systems have been established to mitigate such risks, as far as is possible.

Objectives, Activities and Performance for the Public Benefit

The CIO was established to preserve the health of children and young people around the world by protecting them from sexual and other exploitation and the relief of poverty of children and young people around the world by the provision of funds and services to relieve the effects of poverty.

The Trustees confirm they have referred to the guidance contained in the Charity Commission's general guidance on public benefits when reviewing the CIO's aims and objectives.

In pursuit of its aims and objectives, the CIO seeks to fundraise to protect children from exploitation, abuse and/or alleviating child poverty in cities hosting sporting events and elsewhere; grants to charitable organisations in cities hosting sporting events and elsewhere; campaign against child exploitation campaign for the enactment, strengthening and enforcement of legislation to protect children from sexual exploitation globally.

Summary of activities

It's a Penalty is a UK-based NGO with a global output, focused on ending abuse, exploitation and human trafficking worldwide through awareness-raising campaigns, advocacy for legal reform, educational programmes and youth empowerment.

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FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Report of the Trustees (cont.)

CAMPAIGNS

Each It's a Penalty Campaign harnesses the power of sport to prevent abuse, exploitation and human trafficking on a global scale, positioning each major sporting event as a platform for worldwide action and change.

Qatar 2022 World Cup (November 2022)

It's a Penalty and STOP THE TRAFFIK partnered to run a joint digital campaign during the Qatar 2022 World Cup. The campaign had three main aims: perception, protection and prevention. The campaign ran using geo-targeted adverts on social media to reach fans and the general public on-the-ground in Qatar.

In particular, the campaign aimed to communicate directly with fans who are likely to see indicators of exploitation in sectors such as hospitality, transport and security. Additionally, reached fans who may be buying adult services during the tournament and dissuade them from being contributors to the broader modern slavery issue. The campaign materials include information aimed at vulnerable communities, too.

In total, the campaign reached 1,044,257 people in Qatar during the World Cup. Insights showed that 25-34 year olds were more likely to watch the campaign video, and Arabic and English ads had the highest interest. Overall, the campaign had 158,656 unique link clicks (a click-through rate 15x higher than industry average).

Our campaign survey of those who saw the video and ads found that:

- 58% agreed the campaign increased their awareness of exploitation.
- 65% felt the campaign increased their knowledge of how to spot the signs of exploitation.
- 61% acknowledged that their confidence in making a report has increased.
- 45% took preventative action after seeing the campaign.
- 68% confirmed they will start taking preventative action as a result of the campaign.

Arizona Super Bowl LVII (February 2023)

Following a successful campaign last year during the Super Bowl LVI in Los Angeles, the 15th global It's a Penalty Campaign launched ahead of Arizona Super Bowl LVII to bring public awareness, give platform to survivor voices, engage local community, and work with hospitality industry staff to prevent human trafficking, exploitation and abuse.

For this campaign, our Main Partner was Atlas Free; Supporting Partners were Hilton, IHG Hotels & Resorts, Carlson Family Foundation, Airbnb, Southwest and Motel & Studio 6; Friends were NCMEC, Safe to Compete, Where Hope Lives, AHLA Foundation, UNITY, and WFA Pro. American Airlines and Southwest were the Participating Airlines.

Our NFL and WFA ambassadors included: Markus Golden (Arizona Cardinals), Chatarius 'Tutu' Atwell (Los Angeles Rams), Aaron Rodgers (Green Bay Packers), Jesse Luketa (Arizona Cardinals), Lois Cook (DC Divas), Chante Bonds (Boston Renegades), Andy Dalton (New Orleans Saints), Collette V. Smith (NFL's 1st Black Female Coach), Chris Godwin (Tampa Bay Buccaneers), and Tynequia Roberts (Tampa Bay Inferno).

- In total, the Arizona Campaign's potential reach was 259 million people across all platforms.
- American Airlines showed our 30 sec PSA film in-flight on all screens and their in-flight entertainment app featured on international and national flights during the months of January and February. Southwest Airlines showed the campaign film in-flight on their entertainment app throughout the months of January and February. The campaign film was the second most viewed channel in January. In total, our potential reach on airlines was over 10.5 million passengers.
- On January 24th, 2023, volunteers came together from Where Hope Lives to pack awareness kits that included "Know the Signs" It's a Penalty posters in English and in Spanish, "How to Report" It's a Penalty Posters, wristbands with National Human

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FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Report of the Trustees (cont.)

- Trafficking Hotline number and Missing Children lists provided by the National Center of Missing and Exploited Children (NCMEC) in the Arizona area. Tangible kits were distributed to over 100 hotels and motels across the Phoenix Metropolitan area. Overall 26 missing children were found from NCMEC's database during the It's a Penalty campaign.
- Hilton facilitated a training session which IAP complemented where 130 staff members from seven Hilton hotels in the Phoenix Area were educated on identifying signs of human trafficking and how to report such incidents to the hotel management.
- For the first time, It's a Penalty was invited to join Southwest Airlines at their employee lounge at Phoenix Sky Harbor International Airport. On January 26, 2023, the It's a Penalty team spent the morning passing out our campaign materials to educate flight attendants, pilots, and in-office staff on the Signs of Human Trafficking and how to report if they suspect human trafficking is taking place. We played our 30 second PSA film throughout the lounge and spoke with employees about their experience with human trafficking and requested they fill out our campaign survey. Our educational materials were distributed to 1,800 flight attendants via the Southwest newsletter.
- On the evening of January 26, 2023, the It's a Penalty team was invited to speak at Airbnb's Host Safety Forum alongside Global Director of Trust and Safety Communications, Ben Breit and a representative from the Arizona Attorney General's Office. The presentation – attended by 100 Phoenix and Scottsdale area hosts – included an overview of our campaign, signs to look out for, anti-trafficking resources, and a Q & A session. Campaign materials were available for hosts to take back to their respective properties.
- During our Arizona Super Bowl human trafficking prevention campaign, we were able to secure an impressive amount of press coverage. In total, we were able to generate 400 pieces of coverage through a combination of earned media and press release pick-up. This coverage was highly impactful, as it had the potential to reach an estimated 249 million people in total, giving our message a broad and powerful reach.

During the Campaign, we surveyed the public to assess the impact that the Campaign made in educating about global issues of trafficking and exploitation, and the signs to look out for to identify a crime:

- 82% reported Campaign increased awareness of the issues of exploitation and human trafficking.
- 74% reported Campaign increased knowledge of the signs of exploitation and human trafficking.
- 81% reported Campaign increased awareness of how to report crimes of exploitation and human trafficking.

KeepKidsSafe - Women's World Cup (July-August 2023)

Ahead of the 2023 Women's World Cup, It's a Penalty launched our 16th global campaign in the hosting countries of Australia and Aotearoa New Zealand.

The aim of the KeepKidsSafe Campaign was to highlight the importance of keeping kids safe, particularly in sport. Public education and awareness campaigns play a vital role in increasing public understanding of child safeguarding and protection from abuse and exploitation. For the KeepKidsSafe Campaign, we were proud to work in partnership with fantastic organisations dedicated to protecting children across the world, in the Pacific region and in the hosting countries of Australia and Aotearoa New Zealand. Supporting Partners included: Carlson Family Foundation, ICMEC Australia, Sysdoc; Friends included: OFC, Netsafe, In Good Faith Foundation, eSafety Commissioner, Safeguarding Children NZ, This is How We Football, International Safeguards for Children in Sport, Bravehearts, and Child Matters. Participating airlines were Air NZ, British Airways, Cathay Pacific and Emirates; Participating airports were Sydney, Hamilton and Brisbane.

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FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Report of the Trustees (cont.)

We were delighted to have the support of five international women football stars, including Australian players Kyah Simon and Lydia Williams, as well as New Zealand's Fern Ria Percival, Brazil's Rafaelle Souza and England Lioness Mary Earps, who lent their time and voices to our campaign to help raise awareness via our 30-second campaign film, as well as our informative posters.

- In total, the potential reach of the KeepKidsSafe Campaign was over 10.3 million people on-the-ground in the Pacific and worldwide.
- British Airways, Emirates, Cathay Pacific and Air New Zealand showed the It's a Penalty campaign film in-flight during the KeepKidsSafe Campaign from July-August to a potential audience of 5,402,849 people.
- Informative digital banners were displayed at Brisbane, Sydney and Hamilton Airports throughout July-August possibly reaching 3,753,002 people.
- Throughout the KeepKidsSafe campaign, our digital campaign was key in sharing educational posts about protecting children from abuse and exploitation, ways to report and find help, and safeguarding information. In total, It's a Penalty and our partners reached over 1.1 million on social media.
- One of the key aspects of the Keep Kids Safe campaign was empowering communities to be more aware and able to take action. Our campaign webpage – itsapenalty.org/KeepKidsSafe – contained knowledge and resources educating adults and children about their rights, the signs of abuse, and helplines and reporting mechanisms available to help anyone with concerns about a child or who has experienced abuse. Throughout the campaign, we had 3,800 users visit the informative webpage from countries including Australia, New Zealand, Fiji, Papua New Guinea, Samoa, Solomon Islands, UK, USA and Japan.
- Our partnership with Oceania Football Confederation (OFC) facilitated several awareness-raising activities in OFC member countries in the Pacific during community events and local football tournaments. These activities included displaying banners and posters, showing the campaign film on screens during events, distributing informative flyers to the public, and directing attendees to the campaign's informative webpage on event tickets. As well as these on-the-ground activities, we also reached Pacific audiences with key information through targeted ads on Facebook.

During the Campaign, we surveyed members of the public in the Pacific region to assess the impact that the Campaign had in educating about child abuse and exploitation and the signs to look out for to identify a crime:

- **93%** reported Campaign increased awareness of the issues of the abuse and exploitation of children, particularly in sport.
- **91%** reported Campaign increased knowledge of the signs of child abuse and exploitation.
- **87%** reported Campaign increased awareness of how to find help and report suspected cases of child abuse and exploitation.
- **85%** reported Campaign increased their confidence or likeliness to report suspected cases of child abuse and exploitation, and take steps to keep children safe.

COMMONPROTECT

CommonProtect is It's a Penalty's advocacy programme focused on legal reform and systems change in order to protect children from sexual exploitation and abuse (CSEA) throughout the Commonwealth. Throughout 2022/23 several activities have been undertaken as part of CommonProtect, including:

- To coincide with the International Day for the Elimination of Violence Against Women/Girls (25th November 2022), It's a Penalty published a Policy Brief examining

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FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Report of the Trustees (cont.)

- the prevention and elimination of CEFM in the Commonwealth, in collaboration with the Commonwealth Lawyers Association. The Policy Brief, produced as part of the CommonProtect initiative, provides an overview of the issue of CEFM in the Commonwealth, a summary of the advocacy and political efforts undertaken to-date by Commonwealth actors to address CEFM, provides an overview of the legal context, and makes recommendations for action going forward.
- Developing work with the Commonwealth Children's Interest Group (ComCIG) to highlight children's issues in Commonwealth spaces, including aligning work to take forward the Kigali Declaration on Child Care and Protection Reform.
- On 23 February 2023, the Commonwealth Secretariat's Social Development Division and civil society organisations, including It's a Penalty, organised a roundtable discussion to convene key stakeholders to discuss how to effectively implement the Declaration. The roundtable aimed to encourage collective action and knowledge sharing across the Commonwealth. In the Declaration, leaders stressed the importance of enabling best practices for learning and sharing between Commonwealth states to implement a holistic and comprehensive approach to tackle violence against children. Drawing on the expertise and experience of care and protection reform for children and youth among stakeholders from across the Commonwealth, the Roundtable identified priority areas for future action and highlighted the need to develop a roadmap for action. It touched upon the importance of future collaboration between Commonwealth governments and civil society organisations, and agreement that the improvement of child care and protection systems must be achieved through empowering and supporting families – acknowledging child protection as an interconnected subject across sectors, including health, education, safety and relationships, and must be addressed as such.
- In March 2023, It's a Penalty's Advocacy Director, Elizabeth Speller, attended the Commonwealth Law Conference 2023, organised by our partners the Commonwealth Lawyers Association, in Goa, India. Under the theme of 'Common Challenges in Uncommon Times', lawyers and activists from across the international community gathered in Goa to discuss legal and justice issues that are faced throughout the Commonwealth and beyond. We were invited to speak on the conference panel discussing child marriage. The panel, entitled Child brides and legalised marital rape – a Commonwealth tragedy, was chaired by Robert Strang (3 Hare Court Chambers, England) and our fellow panelists included Senator Hazel Thompson Ahye (Trinidad & Tobago) and Sneh Aurora (Commonwealth Human Rights Initiative, England).
- Convening panels to launch the findings of the CommonProtect Report in the Pacific (Wellington, March 2023 and Auckland May 2023) in partnership with KPMG New Zealand and ACAMS. The expert panels, including representatives from NZ Police, Department of Internal Affairs (NZ) and New Zealand Customs Service, Te Tari Taiwhenua Department of Internal Affairs (NZ), as well as NGOs Child Matters, World Vision NZ and ECPAT International discussed the need for reforms in New Zealand and across the Pacific, as highlighted by the findings of the CommonProtect report, and shared their expertise on key issues. The events were attended by a wide range of stakeholders including law enforcement, financial institutions, child safeguarding agencies, NGOs, academics, tech companies and lawyers.
- Ongoing throughout 2022/23 has been the development of our advocacy strategy in the lead up to the next Commonwealth Heads of Government Meeting in Samoa. This has included building partnerships to support advocacy work, implementing our campaigns in the Pacific region as a precursor and conducting initial research and scoping of potential focus issues.

**IT'S A PENALTY
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Report of the Trustees (cont.)

STUDENT AMBASSADOR PROGRAMME

It's a Penalty's Student Ambassador Programme educates and empowers university students to become ambassadors of change against abuse, exploitation and human trafficking. The programme includes training courses on human trafficking, being an active bystander, consent and planning campaigns. After completing their core training, students are supported by the Student Ambassador Programme team to engage with the community through various activism projects. These include hosting events on campus to educate their peers, promoting responsible procurement, writing and sharing articles, creating educational content for social media, fundraising events and awareness-raising initiatives in their local community.

This year 2022/23 has seen the continued development and rapid rise of the Student Ambassador Programme. The programme was reviewed and restructured, with a revised programme structure and core training course launching in June. Of the students who were part of the programme before the relaunch, 16 students from 5 universities continued their involvement. Since then, the programme has grown to 153 students from 44 universities, including universities in every UK region.

SAFE TO COMPETE

Safe to Compete is a national initiative between It's a Penalty and The National Center for Missing & Exploited Children (NCMEC) to prevent abuse, exploitation and trafficking of young children as they learn to compete in youth sports.

Safe to Compete seeks to equip coaches and parents with the tools needed to create a safe environment in sport where boundary violations of any sort are not tolerated, and where child safety and respect are top priorities. This year has seen the development of the programme to include:

- 30-minute interactive training course for coaches
- 15-minute parent education module
- Discussion guides on boundary setting and safety for kids ages 5-11 and 12-17
- Information on child sex trafficking
- Resources for coaches

Moving forward, we will be renewing our partnership with NCMEC to continue development of this initiative.

Financial Review

Expenditure exceeded Income in the year ended 30th September 2023 by £34,144 leaving a closing Bank Balance of £41,579, however the Board is intent in maintaining a healthy level of Unrestricted Reserves.

Reserves policy

The CIO currently has no Restricted Reserves and an Unrestricted General Reserve of £33,386 at 30 September 2023.

Plans for Future Periods

The following potential future It's a Penalty campaigns have been identified:

- Pacific Games Solomon Islands 2023
- Las Vegas Super Bowl 2024
- Paris Olympic / Paralympic Games 2024 Games

Trustees' Responsibilities Statement

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

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS102);
- make judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the 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.

The Report of the Trustees was approved by written procedure amongst Trustees on 4-12-23 and signed on their behalf by:



K Corich

**IT'S A PENALTY
INDEPENDENT EXAMINER'S REPORT FOR THE
YEAR ENDED 30 SEPTEMBER 2023**

I report to the Trustees on my examination of the accounts of It's a Penalty (the CIO) for the year ended 30 September 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



**Steve Robinson FCA
Chartered Accountant
Silbury Court
420 Silbury Boulevard
Central Milton Keynes
MK9 2AF**

Date: 22 December 2023

IT'S A PENALTY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	Un- Restricted General	Restricted Funds	Total 2023	Total 2022
		£	£	£	£
<u>Income</u>					
Income from Generated funds					
Donations and grants	2	456,015	-	456,015	746,222
			-		
Total Income		<u>456,015</u>	<u>-</u>	<u>456,015</u>	<u>746,222</u>
<u>Expenditure</u>					
Charitable Activities					
Expenditure on charitable activities	3	462,627	-	462,627	566,078
Cost of Raising funds					
Expenditure on raising funds	4	-	-	-	131,789
Other Expenditure					
Support costs	5	24,309	-	24,309	25,681
Total expenditure		<u>486,936</u>	<u>-</u>	<u>486,936</u>	<u>723,557</u>
Net movement in funds		(30,921)	-	(30,921)	22,665
Balance at 1 October 2022		64,307	-	64,307	41,642
Balance at 30 September 2023		<u>33,386</u>	<u>-</u>	<u>33,386</u>	<u>64,307</u>

All of the above results are derived from continuing activities.

All gains and losses recognised in the period are included above.


The split of comparative funds is shown in note 13.

The notes on pages 13 to 19 form part of these financial statements.

IT'S A PENALTY
BALANCE SHEET AS AT 30 SEPTEMBER 2023

	Notes	2023		2022	
		£	£	£	£
Fixed Assets					
Intangible assets	7		-		-
Current Assets					
Debtors	8	-	-	-	-
Cash at bank and in hand		41,579		75,723	
		<u>41,579</u>		<u>75,723</u>	
Creditors: amounts falling due within one year	9	(8,193)		(11,416)	
		<u></u>		<u></u>	
Net current assets / (liabilities)			<u>33,386</u>		<u>64,307</u>
Net assets			<u>33,386</u>		<u>64,307</u>
Represented by:	10/11				
Unrestricted funds			33,386		64,307
Restricted funds			<u></u>		<u>-</u>
Total Charity Funds			<u>33,386</u>		<u>64,307</u>

The financial statements were approved by the Trustees on 16th December 2023 and were signed on their behalf by:


 C McLellan

Trustee

The notes on pages 13 to 19 form part of these financial statements.

**IT'S A PENALTY
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)).

It's a Penalty 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 note(s).

The Trustees have taken advantage of the exemption in Charities SORP (FRS102) from including a cashflow statement in the financial statements on the grounds that the organisation is small.

Income

Donations and Grants

Income from donations and grants is included in incoming resources when received. Income is then deferred when a condition which is placed upon the Charity's entitlement to it has not yet been completed.

Donations receivable for the general purposes of the Charity are credited to general unrestricted funds. Donations for purposes restricted by the wishes of the donor are taken to restricted funds.

Intangible income in the form of valuable good or services donated to the Charity at some actual expense to the donor are included in the Statement of Financial Activities when the benefit is quantifiable and measurable.

Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Intangible Assets and Amortisation

Intangible assets are stated at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Website Development	3 years straight line
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FOR THE YEAR ENDED 30 SEPTEMBER 2023**

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

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 comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds comprise funds donated for specific purposes. The aim and use of each fund is set out in the notes.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The CIO only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**IT'S A PENALTY
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

1. Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the CIO has adequate resources to continue in operational existence for the foreseeable future. In making this assessment, the mitigating actions that can be taken to control costs and the ability of the Charity to borrow or fundraise for additional funds, that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2. Donations and grants

	2023	2022
	£	£
Institutional income	327,783	300,058
Trust income	-	18,000
Other income	128,232	428,164
	<u>456,015</u>	<u>746,222</u>

Unrestricted Income from donations and grants was £456,015 (2022: £938,027) of which £Nil (2022: £Nil) was restricted.

Other income includes £128,232 (2022: £428,164) relating to donations in kind principally provided for professional services contributing to advancing our advocacy agenda.

Included within institutional income is an amount of £nil (2022: £nil) relating to donations in kind received by the Charity.

3. Expenditure on charitable activities

	Unrestricted	Restricted	2023	2022
It's a Penalty Campaign	£	£	£	£
Salaries & NI	129,936	-	129,936	53,536
Consultants	100,564	-	100,564	129,175
Design & Artwork	4,050	-	4,050	17,084
Website	3,144	-	3,144	3073
Promotion	50,108	-	50,108	0
Social Media Development	77,617	-	77,617	48,638
Filming & Production	9,850	-	9,850	45,171
Travel & Accommodation	21,156	-	21,156	19,889
Legal Expenses	66,202	-	66,202	249,512
Total	<u>462,627</u>	<u>-</u>	<u>462,627</u>	<u>566,078</u>

**IT'S A PENALTY
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

Expenditure includes £128,232 (2022: £650,173) relating to donations in kind for professional services contributing to advancing our advocacy agenda.

4. Expenditure on raising funds

	Unrestricted £	Restricted £	2023 £	2022 £
Advocacy Lobbying	-	-	-	12,337
Advocacy Fundraising	-	-	-	29,069
Printing	-	-	-	90,392
	<u>-</u>	<u>-</u>	<u>-</u>	<u>131,798</u>

5. Other Expenditure

	Unrestricted £	Restricted £	2023 £	2022 £
Support Costs				
Accountancy	10,000	-	10,000	9,000
Travel & Refreshments	6,146	-	6,146	8,211
Other Costs	5,383	-	5,383	5,870
Governance costs				
Independent Examiner's Fee	2,780	-	2,780	2,600
	<u>24,309</u>	<u>-</u>	<u>24,309</u>	<u>25,661</u>

6. Staff numbers and expenses

There was no Trustees' remuneration during the financial year and trustee expenditure of £nil was reimbursed (2022: £nil).

The average number of persons employed by the CIO during the year was:

	2023 No.	2022 No.
Average staff headcount	<u>2</u>	<u>1</u>

Staff costs (for the above persons)

Wages and salaries	116,875	75,000
Social security costs	8,680	4,605
Pension	4,416	3,000
	<u>129,971</u>	<u>82,605</u>

**IT'S A PENALTY
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

One employee's emoluments exceeded £60,000 as disclosed below:

	2023	2022
Salary	80,000	75,000
Social security costs	6,207	5,135
Pension	<u>3,200</u>	<u>3,000</u>

7. Intangible Assets

	Website £	Total £
Cost		
Brought forward	6,000	6,000
Additions	-	-
Carried forward	<u>6,000</u>	<u>6,000</u>
Amortisation		
Brought forward	6,000	6,000
Charge for the year	-	-
Carried forward	<u>6,000</u>	<u>6,000</u>
Carrying value		
At 30 September 2022	<u>-</u>	<u>-</u>
At 30 September 2023	<u>-</u>	<u>-</u>

8. Debtors

	2023	2022
	£	£
Trade Debtors		
Accrued Income	-	-
Rent Deposit	-	-
Total	<u>-</u>	<u>-</u>

9. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade Creditors	3,780	9,011
Taxation and Social Security	3,800	1,955
Accruals	613	450
Total	<u>8,193</u>	<u>11,416</u>

**IT'S A PENALTY
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

10. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Fund balances at 30 September 2023 are represented by:				
Tangible fixed assets	-	-		-
Current assets	41,579	-	41,579	75,723
Creditors due within one year	(8,193)	-	(8,193)	(11,416)
	<u>33,386</u>	<u>-</u>	<u>33,386</u>	<u>64,307</u>

11. Analysis of charitable funds

	Un- Restricted Funds £	Restricted Funds £	Total Funds £
Brought forward at 30 September 2022	64,307	-	64,307
Income	456,015	-	456,015
Expenditure	(486,936)	-	(486,936)
Transfers	-	-	-
Balance at 30 September 2023	<u>33,386</u>	<u>-</u>	<u>33,386</u>

12. Related parties

It's a Penalty received £12,019 (2022 - £12,000) in donations from Sysdoc Ltd in which K Corich is a director.

**IT'S A PENALTY
FOR THE YEAR ENDED 30 SEPTEMBER 2023
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)**

13. Comparative funds

	Un- Restricted General £	Restricted Funds £	Total 2022 £
<u>Income</u>			
Income from Generated funds			
Donations and grants	746,222		746,222
Total Income	<u>746,222</u>		<u>746,222</u>
<u>Expenditure</u>			
Charitable Activities			
Expenditure on charitable activities	566,078	-	566,078
Cost of Raising funds			
Expenditure on raising funds	131,798	-	131,798
Other Expenditure			
Support costs	25,681	-	25,681
Total expenditure	<u>723,557</u>	<u>-</u>	<u>723,557</u>
Transfer between funds	-		-
Net movement in funds	22,665	-	22,665
Balance at 1 October 2021	41,642	-	41,642
Balance at 30 September 2022	<u><u>64,307</u></u>	<u><u>-</u></u>	<u><u>64,307</u></u>