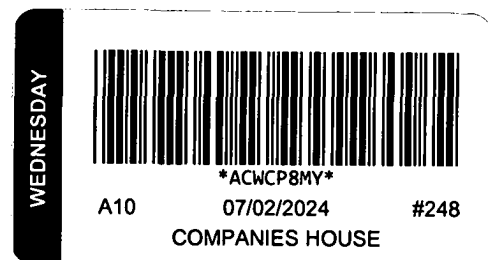


COMPANY REGISTRATION NUMBER: 05887661

CHARITY REGISTRATION NUMBER: 1165209

**Good Things Foundation
Company Limited by Guarantee
Consolidated Financial Statements
30 June 2023**



Good Things Foundation

Company Limited by Guarantee

Financial Statements

Year ended 30 June 2023

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Good Things Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 30 June 2023

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 30 June 2023.

Reference and administrative details

Registered charity name	Good Things Foundation	
Charity registration number	1165209	
Company registration number	05887661	
Principal office and registered office	Spaces - Acero 1 Concourse Way Digital Campus Sheffield S1 2BJ	
The trustees	H L Milner E A Williams R A G Clare C P Bond N A Wallace Dean N Khan H J Whelan D Bernard J Hawker L O Branch V Ali T S Hillsdon W J Perrin S Mistry	Chief Executive Chair (Appointed 23 January 2023) (Appointed 23 January 2023) (Appointed 23 January 2023) (Appointed 23 January 2023) (Appointed 23 January 2023) (Resigned 1 February 2023) (Resigned 24 November 2022)
Company secretary	A Barlow	
Auditor	Hebblethwaites Chartered accountants & statutory auditors 2 Westbrook Court Sharrow Vale Road Sheffield S11 8YZ	
Bankers	The Co-operative Bank plc Virgin Money plc Cambridge & Counties Bank Limited	
Solicitors	Stone King LLP	

Good Things Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

Good Things Foundation is a leading digital inclusion charity, working in the UK, Australia and beyond. We want to fix the digital divide – for good. We work, in partnership, in cities, towns, and communities to help people thrive in a digital world.

Change of year end

These financial statements are for the year ended 30 June 2023. They represent our first set of accounts made up for a 12 month period ending 30 June, following a change of financial year end from 31 July to 30 June during the prior year. Therefore the comparative figures stated in the statement of financial activities, statement of financial position, statement of cash flows, and the related notes are not directly comparable, with the previous financial statements covering the 11 months from 1 August 2021 to 30 June 2022.

Our Aims and Objectives

Purposes and Aims

Our charity's purposes as set out in the objects contained in the company's Articles of Association are for public benefit and are:

- To develop the capacity and skills of the members of the socially and economically disadvantaged community in such a way that they are better able to identify and to help meet their needs and to participate more fully in society;
- To advance education of the public in digital skills and in information technology;
- To promote social inclusion among those who are excluded from society and who lack either access to online services or necessary skills in information technology or digital skills; and
- To advance citizenship by developing the information technology skills of the public so that they are better able to participate in society as active and responsible citizens.

Ensuring our work delivers our aims

We review our aims, objectives, and activities each year. This review looks at what we have achieved in the last 12 months, and the benefits this activity has driven for both people and communities. This review also helps us to ensure our aims, objectives and activities remain focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Our vision is a world where everyone benefits from digital. We want people to be digitally able, equal and safe, so they can be happier, healthier and better off. Whilst this vision and purpose is the same across the UK, Australia and globally, there are some differences in how we achieve this and the strategy we are pursuing in each territory.

Good Things Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

Our Strategy in the UK

The internet is an essential lifeline, yet millions of people in the UK are digitally excluded. 1 in 20 UK households has no home internet (*Ofcom, Adults Media Use and Attitudes 2022*), 8 million households are having difficulty affording communication services (*Ofcom, Communications Affordability Tracker 2023*) and 5.8 million people will remain digitally excluded at the end of 2032 if no action is taken to improve their digital skills (*Cebr, The Economic Impact of Digital Inclusion in the UK 2022*).

Our UK Strategy has a singular mission which is to "Fix the Digital Divide in the UK - For Good". When we launched the strategy in April 2022, the country was in a period of change and the digital divide was deepening. We were buoyed by the energy and ingenuity that Good Things had brought to our emergency responses to deliver sustainable change on the digital divide.

We'd learned a lot and this strategy embedded that knowledge, turning it into the delivery of mobile connectivity data and devices alongside basic digital skills - all in partnership with the incredible National Digital Inclusion Network of thousands of community organisations.

By the end of 2025, our ambition is to:

- Engage 1 million people across the UK, helping them benefit from the digital world; and
- Grow and support 5,000 active digital inclusion hubs, across the nation to respond to local needs (this is the National Digital Inclusion Network).

We have three strategic principles that underpin our strategy. These principles explain the core purpose of our organisation and how we operate:

- Everyone to have the internet access they need;
- Everyone to have somewhere local to go for help to use the internet; and
- Everyone to feel able and safe in the online world.

To achieve our mission, we have developed a new social infrastructure which provides a comprehensive service for digitally excluded people. An offer which any local organisation - anywhere in the UK - can use to Fix the Digital Divide in their communities, comprising of:

- The National Data Bank "a food bank, but for mobile connectivity data", believed to be the first of its kind globally. It exists to ensure those experiencing data poverty can stay connected with data donated by O2, Vodafone and Three;
- The National Device Bank, a sustainable approach to provide free access to refurbished digital devices, for those who cannot afford to buy their own; and
- The National Digital Inclusion Network. A network which we plan to grow to 5,000 digital inclusion hubs, where people can go to gain digital skills and access the National Data and Device Banks.

The year just ended, (30 June 2023), represents the first full delivery year of our UK strategy. Over these past 12 months we have made significant strides in "Fixing the Digital Divide for Good" and believe we have developed a scaled and proven solution to help us reach our goals.

Good Things Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

Our Strategy in Australia

In Australia our purpose is to ensure all people in Australia are digitally capable, safe and have equal opportunity to benefit from the digital world. Our strategy focuses on developing partnerships with organisations in thousands of communities across Australia to deliver locally-driven programs with national impact. We do this by:

- Designing specialised community-led digital inclusion programs;
- Training digital mentors and building capacity in community organisations;
- Providing resources, grants and program delivery support; and
- Raising awareness and advocating for those who are digitally excluded

Our digital inclusion programs are built on a community-based model, with targeted digital skills support delivered locally by trusted community organisations, a network across Australia which now numbers nearly 4,000.

Good Things Australia's initiatives are designed to reach those most at risk of being left behind in the online world including women, carers and low income families, people with low English literacy, refugees and migrants, First Nations people, people with chronic health conditions and people with disability. Our current programs include:

- **Be Connected:** Our national network community organisations deliver the highly successful Be Connected digital skills program for Australians aged over 50, which has engaged over 2.2 million people in the six years it has been running. We upskill Digital Mentors, manage the multi-million dollar grants program and support seniors to find help near them. The program has recently been refund for another 4 years, through to 2028;
- **Get Online Week:** We run Australia's largest digital inclusion campaign, Get Online Week. Every year in October, hundreds of community organisations nationwide host digital skills events to support Australians to feel more confident and capable online;
- **Your Health In Your Hands:** We are delivering a digital health literacy program in partnership with the Australian Digital Health Agency to increase people's skills and confidence using online health and wellbeing services; and
- **Bridging the digital divide for young people with intellectual disability:** We are partnering with Down Syndrome Australia to co-design digital skills resources with and for young people with intellectual disability and their support networks.

Our Strategy Globally

Whilst our core focus is helping people in the UK and Australia, we continue to evaluate opportunities in other countries where we can use our skills and experience to contribute to digital equality across the world. We are working directly with NGOs in Romania and Poland to support their missions to fix the digital divide by working with local community organisations and national partners; we have made a version of Learn My Way available to them for local translation and contextualisation. Google.org supported our work in Romania and Poland, as well as helping us to develop a "digital inclusion in a box" set of assets in a repository for use by international partners.

Good Things Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

Achievements and Performance

How our activities deliver public benefit

All of Good Things Foundation's charitable activities focus on helping people to be happier, healthier and better off by being digitally able, equal and safe. Our main activities and the people we have helped are described below.

In the UK

For modern Britain, being digital capable – accessing data, devices, and having digital skills, motivation, and confidence – is of indisputable importance. These pillars of digital (in)equality remain acute across the nation:

On connectivity - over 1 in 20 households have no internet access, neither fixed line nor mobile (*Ofcom's Adults' Media Use and Attitudes Report, 2022*). Ofcom also reported that 8 million households are experiencing difficulty affording communication services, including internet access (*Affordability of Communications Services, 2023*).

Device affordability remains a barrier, with 5% of the UK population having no devices at home that enable them to access the internet (*Ofcom Technology Tracker 2022*) and 43% of the population relying on a device such as a mobile, tablet, or laptop that isn't their own in order to access the internet (*Public First polling data for Good Things Foundation, May 2023*).

Finally, digital inclusion and skills remains a problem of great magnitude. 10.2 million UK adults do not have foundation-level skills (*Lloyds' UK Consumer Digital Index, 2022*) and 5.8 million people will still be digitally excluded in 2032 without action (*Cebr, The economic impact of Digital exclusion, 2022*). The community sector – of which our National Digital Inclusion Network is rooted – provides an informal learning environment ripe for people facing these barriers, yet often goes underfunded.

We have continued to work hard to increase awareness of digital inclusion and get it on the national agenda. Our advocacy and influencing work ramped up this year and in 2023 we were able to showcase the work of digital inclusion hubs and share our ideas of solutions to fix the digital divide, to the House of Lords Communications and Digital Committee for their report exploring digital exclusion and the cost of living crisis.

We understand the scale and benefits of equipping people with the right tools to live and work in the digital world, as do our Strategic Partners: Virgin Media O2, Vodafone, and Nominet who are working with us to help fix the digital divide. Our partners support our strategy to engage 1 million people, working in partnership with 5,000 digital inclusion hubs to provide people with access to data, devices and digital skills. All of this is reflected in our operational achievements and performance over the past financial year, outlined further below.

UK National Digital Inclusion Network

Made up of thousands of community partners, the National Digital Inclusion Network hubs are all working to tackle digital exclusion. We have demonstrated that a model of local, community-based support is effective for increasing digital inclusion. During the year we have successfully grown the network with 1,289 new digital inclusion hubs being recruited since April 2022 taking the total number of hubs in the National Digital Inclusion Network to 3,277 at 30 June 2023.

Good Things Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

UK National Digital Inclusion Network *(continued)*

Being part of the National Digital Inclusion Network has a positive impact for hubs and their ability to support digital inclusion, with 80% agreeing it helps them support a wider range of people struggling to access or use the internet and support more people to build their digital skills and confidence in our most recent Digital Inclusion Network Survey (May 2023).

We have helped the National Digital Inclusion Network build capacity and capability to provide digital inclusion support. This included distributing just under £2 million in grants to the National Digital Inclusion Network, thanks to our funders: Google.org, HMRC, JPMorgan Chase Foundation, London Office of Technology and Innovation, Yorkshire Building Society and our Strategic Partners.

91% of hubs agreed that the Digital Inclusion Capability Grant they received from Good Things Foundation had helped them to achieve better outcomes for people struggling to access or use the internet (*Good Things Foundation, Digital Inclusion Capability Grant Round 2 Evaluation July 2023*).

UK National Databank

The National Databank was launched in July 2021 by Good Things Foundation and Virgin Media O2 and is now also supported by Vodafone and Three. The first cross-sector collaboration of its kind in the world, the National Databank provides free SIMS and mobile data (as well as talk minutes and texts) to people experiencing data poverty and vulnerable people in need, which are distributed through a growing network of more than 1,200 (30 June 2023) National Data Hubs across the UK.

We have seen an increasing demand for free data and in the period since the launch of our strategy in April 2022 and the end of the financial year (30 June 2023), we have distributed 181,798 free SIM cards from O2, Vodafone and Three to people struggling to access the internet.

In the last year the National Databank has won the Positive Impact Award for Technology at the New Statesman Awards and the Best Community Initiative Award at the CorpComms Awards as well as receiving several nominations.

UK National Device Bank

This year Good Things Foundation launched the National Device Bank with leading sustainable electronic refurbishing company Reconome - wiping and refurbishing corporate technology to donate to those who are unable to afford a device.

As at 30 June 2023 over 16,000 devices had been donated to Good Things Foundation for refurbishment. 4,429 have been given to 267 hubs to distribute to people in their community, with more on the way. Donations to the National Device Bank don't just benefit people, but the planet too, with the donations during the year saving 3,054,425 Kg of CO2e emissions and over 29,000 kg of e-waste.

The National Device Bank has received donations from businesses, public organisations and local authorities, including Microsoft, London Borough of Redbridge, HSBC, the Metropolitan Police, Western Power Distribution, Ocado Group, Deloitte and Which?.

Good Things Foundation

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

Digital Inclusion & Skills

Good Things Foundation developed Learn My Way, a free platform for digital learning, providing digital skills and increased confidence to those supported by the Digital Inclusion Network. Since 2011, more than 1.65 million people have registered to use Learn My Way. This includes 79,217 in the period since the launch of our strategy in April 2022 and the end of the financial year on 30 June 2023 and the platform has been used by 1,839 digital inclusion hubs to help people gain digital skills.

In spring 2023 we launched the new and improved Learn My Way, offering bitesize topics to help people to make the most of the online world. Subjects include: Using a device, Starting to go online, Staying safe and using email. Through to: Working online, Using social media, Managing health and money online.

Our Strategic Partners

To pursue our purpose: to fix the digital divide - for good, we needed Strategic Partners and during the year we were lucky enough to bring Virgin Media O2 (August 2022), Vodafone (December 2022) and Nominet (June 2023) alongside us, to invest in our strategy.

Our partners support our strategy to engage 1 million people, to work in partnership with a larger network of 5,000 digital inclusion hubs and to provide people with access to data, devices and digital skills. Not only are our Strategic Partners providing financial support, they are working with us collaboratively to fix the digital divide. For example during the year:

- Virgin Media O2 who set up the National Databank with us back in 2021, celebrated with us the milestone of hitting 1,000 databank locations within the UK;
- Vodafone led on the Great British Tech Appeal, to obtain devices for the National Device Bank; and
- Nominet supported the Data Poverty Lab, which was formed to find sustainable solutions to data poverty. This year our Data Poverty Lab fellows developed three thought-leadership pieces exploring how we talk about, and solutions to, data poverty and whether the internet is an essential utility.

Other Initiatives in the UK

We scaled up Get Online London, our digital inclusion service accelerating activities so that we can help more Londoners get online and reducing digital exclusion in London, which is run in partnership and funded by the London Office of Technology and Innovation (LOTI) and the Mayor of London. During the year, Get Online London distributed more than 44,000 free data SIMs, and the London Device Bank, as part of the National Device Bank, provided over 2,500 devices to people through 678 community organisations in London.

Elsewhere in England, during the year we completed our Digital Skills Pathway pilots aimed to address the challenge of how to support local communities to become digital included and to drive economic recovery. Funded by the UK Government's Community Renewal Fund, we developed local pathways with the potential for transformational impacts in the lives of digitally excluded adults. Over 12 months, 82 community organisations and 5,347 people were supported across three Combined Authority areas, Greater Manchester, West Midlands and North of Tyne. The program delivered a significant improvement in people's digital access, skills and confidence with 94% reporting improvement in their

Good Things Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

Other Initiatives in the UK (continued)

digital skills, 92% felt more confident to use the internet and 87% said they had access to a suitable device and / or data to use the internet. Two-thirds (68%) of people supported achieved at least one desired outcome: With 79% reported being motivated to keep on learning, 47% progressed onto further learning (including intention to progress), 44% reported better employment prospects and 33% applied for a job.

We continued to deliver the Power Up programme, funded by JPMorgan Chase Foundation, which is driving economic inclusion through digital in communities - powering up people, provision, and places.

Our partnership with Yorkshire Building Society to boost employability through digital skills in Bradford entered its 3rd year, and has now supported over 900 people.

We remain part of the NHS's Health & Wellbeing Alliance and throughout the year we have delivered projects on accessibility guidance and designing digital services, with the needs of those with protected characteristics in mind, and supported many other VCSE organisations on their own digital projects.

We continued to deliver benefits advice through our partnership with HMRC, delivered alongside support for developing basic digital skills.

In Wales we continued to work in partnership with Cwmpas and the Wales Government, to grow the National Digital Inclusion Network in Wales and to deliver Learn My Way learning content in the Welsh language as well as in English. The Welsh Government has taken up our collaborative work on a Minimum Digital Living Standard and are looking to implement this as a target for people in Wales.

In Scotland we work closely with SCVO (the Scottish Council for Voluntary Organisations) and the Scottish Government to ensure that people in Scotland can have access to and benefit from our services.

In Australia

Although Australia is more connected than ever before, we know that many people are still being left behind. The latest Australian Digital Inclusion Index and our own research shows us that while we are making significant steps forward, there is a lot more we can do to help everyone get online safely and confidently.

That's why, during the 2022/23 financial year, we focused on expanding our reach and programs to younger and more diverse groups, including young people with intellectual disability, migrant and refugee women, people with chronic health conditions, carers and low income families. This built on the continued success of our Be Connected program for over 50's and the amazing support that our network, which grew to nearly 4,000 community partners during the year, who provide everyday to people who are most at risk of digital exclusion.

It's also why we continued to advocate for the ongoing support of successful, community-based digital skills programs and practical new initiatives that tackle ability, access and affordability across all communities and age groups; a call that has been, in-part, answered by the recent Australian Government announcement that Be Connected will continue until 2028.

Good Things Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

In Australia (Continued)

Through our Be Connected program this year, we awarded \$5.7 million in grants to our network of community partners. This included our Capacity Building program to train digital mentors as well as Digital Devices grants to create device loan libraries in local communities. Through this program, we also directly upskilled over 1,100 digital mentors to deliver community-based digital skills support through our live webinar series.

Our annual digital inclusion campaign, Get Online Week, reached 19,000 people with digital skills support in just one week. Thanks to the support of our Principal Supporting Partner, Telstra, and Department of Social Services small grant funding, over 1,000 community events were held in metro, regional and rural Australia to empower people to try one thing new online.

Thanks to the support of the Australian Digital Health Agency, we delivered our digital health literacy program, Your Health In Your Hands, to increase people's skills and confidence using online health and wellbeing services, with 91% of learners saying they felt more confident managing their health and wellbeing online as a result of the program.

We continued our partnership with Down Syndrome Australia after securing a funding extension to this vital project. Together, we co-designed digital skills learning resources with and for young people with intellectual disability and their support networks, and commenced a professional development program for digital mentors working in this space.

We were particularly excited to launch Digital Sisters, our brand new pilot program to empower migrant and refugee women aged under 50 to build digital skills and social connections. We also released a series of digital support tools for low income families, and delivered a pilot program to build more digitally connected communities. These programs help to debunk the myth that it's only older people who are in need of a helping hand when it comes to learning digital skills; offering targeted, tailored and trusted support for adults of all ages.

Financial Review

Principal Funding Sources

As with the previous year, the majority of our UK funding came from the private sector, and we continue to shift away from Government Funding. Our primary funding source was our strategic partners Virgin Media O2, Vodafone and Nominet. Any funding received from our strategic partners that remained unspent at the year end is reported within our designated reserves at 30 June 2023.

We also received funding from a number of other private organisations and charitable trusts including: Google.org, Yorkshire Building Society, JP Morgan Chase Foundation, Nuffield Foundation, Okta and the Co-Op. Although no longer the dominant source, Government funding continues to be important with funding provided by the following local and central Government entities in the period: His Majesty's Revenue and Customs (HMRC), Greater Manchester Combined Authority, West Midlands Combined Authority, North of Tyne Combined Authority, National Health Service (NHS), the London Office of Technology and Innovation (LOTI), and the Welsh Government.

Our principal funder in Australia is the Australian Government through the Department for Social Services (DSS). We also received income from the Australian Digital Health Agency, the Smith Family Charity, Telstra and Bendigo Bank.

Good Things Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

Financial Review of the year

In the year ended 30 June 2023, the Group generated total income of £9,683,368 (11 months to 30 June 2022: £8,889,780), total expenditure of £9,002,017 (2022: £9,678,688), resulting in net income of £681,351 for the period (2022: net expenditure of £788,908). On a like-for-like basis income is broadly in line with the prior period, with the £793,588 increase largely attributable to the current period being a month longer than the prior period. Overall our expenditure decreased by £676,671 compared to the prior period, with the biggest driver of this being a reduction in grant payments. Whilst grant payments to the Digital Inclusion Network are still the biggest component of our costs at 47% of total expenditure, they reduced by £1,080,321 versus the prior period as several restricted grant programmes came to an end.

The net income of £681,351 comprises net inflows of unrestricted funds of £545,571 and £135,780 of restricted funds.

Our unrestricted income includes amounts we received in the period from our strategic partners plus any other unrestricted donations and grants. The net inflow of unrestricted funds of £545,571 was primarily due to a large one-off unrestricted donation of £625,000 we received in the UK. Our unrestricted reserves are split into general and designated. Funds received from our Strategic Partners are committed to funding the delivery of our current strategy between now and December 2025, as such they are reported as designated reserves in the statement of financial position. As at 30 June 2023 we had designated reserves of £973,785 (2022: £1,130,902). Our general unrestricted reserves represent free reserves that are available for us to spend on any activity that supports our charitable objectives and delivery of our strategy. Any excess amount above the reserves that we need to set aside to manage risk, will be invested in our charitable objectives. As of 30 June 2023, the Group is carrying forward free or general unrestricted reserves of £2,486,316. Of this total, £2,129,915 relates to the UK charity and £356,401 relates to the Australian charity.

Restricted funds have to be utilised on the projects agreed with the funders who granted or donated these funds. Many of the projects undertaken span more than one financial accounting year. In such cases, any restricted funds received in the UK charity that have not been fully used in the year on the projects that they fund, must be carried forward to be expended in future years. Thus, the net inflow of restricted funds for the year is not a surplus but a timing difference between when we receive restricted funds for a project and when we carry out that project. At the end of the year, we are carrying forward £826,630 of restricted funds to be utilised in future years on the relevant projects. These restricted funds relate to the UK charity only.

Cash and cash equivalents were £4,535,772 at 30 June 2023, an increase of £733,068 versus the prior year (30 June 2022: £3,802,704). The increase in cash is a result of the aforementioned net inflow of unrestricted funds during the year.

Investment policy

Aside from retaining a prudent amount in reserves each year to cover risks and provide for working capital, the charity's funds are to be spent in the short term as set out in our funding contracts, so there are no funds for long term investment. Any funding received in advance is invested in either an instant access or a 90-day deposit account depending on our cash flow requirements.

Good Things Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

Group Reserves policy

Good Things Foundation's reserves policy focuses on the level of free reserves. Free reserves exclude restricted funds and designated funds. Our UK and Australian entities have independent reserves policies set by their local management teams and Board of Trustees / Directors, which combine to form the Group's reserve policy. The recommended free reserves level is calculated annually in advance of the budget process, by each charity based on the specific risks and opportunities facing Good Things Foundation in each of these territories. The level of free reserves is monitored on an ongoing basis, with the policies reviewed annually by Good Things Foundation's Group and country Boards.

Good Things Foundation seeks to maintain free, unrestricted reserves to manage the risks to which we are exposed in the course of our business, including but not limited to mitigating uncertainties in our funding and earned income, in our core operating countries of the UK and Australia. The reserves are also needed to meet the working capital requirements of the charity which are becoming a higher risk for us as we continue to diversify our funding streams, including into attracting unrestricted donations, and the longer term expenditure commitments we are making, arising from our strategic partnerships and delivery of our new three year strategy. Any surplus on free reserves above the amount we need will be invested in our charitable objectives.

Group Reserves situation

The Board has decided that in order to meet these needs, and to operate effectively, Good Things Foundation needs unrestricted general Group reserves of between £1,600,000 and £2,600,000 (£1,200,000 to £2,200,000 in the UK and £400,000 in Australia) based on the current analysis of risk. Currently our total unrestricted reserves are within this range.

Plans for future periods

In the coming year, we will continue to deliver activity that helps us to fix the digital divide in both the UK and Australia.

In the UK, our core focus will be on investing in the National Digital Inclusion Network, the National Databank and National Device Bank, to provide free access to the digital world for those currently excluded due to affordability or a lack of skills. We plan to test new and innovative approaches to increase and grow our impact, which will be focused on increasing: the use of our Learn My Way Platform, the number of mobile connectivity SIMs provided to beneficiaries and number of refurbished devices distributed by the National Device Bank to digital inclusion hubs. Our ability to deliver our strategy through to 2025 will require further funding and our fundraising efforts will concentrate on both recruiting additional Strategic Partners, but also programme based funding where it is closely aligned to helping us reach our strategic ambitions.

A strong National Digital Inclusion Network is critical to us meeting our goal of engaging 1 million people across the UK by the end of 2025, helping them benefit from the digital world. We will look to grow the number of digital inclusion hubs in this network, providing support via financial grants, access to training and digital inclusion resources and ensuring their voices can be heard.

We will keep in touch with trends that may affect digitally excluded people - such as Artificial Intelligence (AI). As always, we will be informed by research and insight, and focused on delivering activity that meets the needs of both our community network and those they support, and we will continue to showcase the benefits of research and evaluation.

Good Things Foundation

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Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

Plans for future periods (continued)

There will be a General Election in the UK before January 2025, so we will continue to raise the profile of the urgent need to fix the digital divide with politicians across the political parties and across the nations of the UK.

In Australia, we are focused on increasing and diversifying our digital inclusion programs and advocacy efforts to support more people in need. We will also continue to support our network of community organisations and digital mentors to deliver high quality digital skills support through programs like Be Connected and Digital Sisters, the Get Online Week campaign, Good Things Learning platform and exciting new projects.

Campaigning to fix the digital divide for good will remain a core part of our work as we will continue to advocate for both our community partners and for digitally excluded people, in both the UK and Australia, and beyond.

We will continue to be ambitious about our impact to ensure that everyone can thrive in a digital world.

Structure, Governance and Management

Governing Document and organisational structure

In the UK, Good Things Foundation's governing document is its Memorandum and Articles of Association which established the objects of the charitable company and is governed under its Articles of Association. We are a charitable company limited by guarantee set up on mutual principles, with three staff members elected to sit on our Board, together with our Group Chief Executive. We were incorporated on 26 July 2006, and we began trading on 1 December 2011.

On 19 January 2016, Good Things Foundation became a registered charity; one of the first charities in the UK to retain its mutual founding principles, after approval from the Charities Commission. This was a major achievement for the organisation and has helped to ensure that we remain grounded in the needs of those we support as we have grown our impact.

All staff of the UK Charity who have been in post for at least six months can become members of the company, together with the external non-executive directors. In the event of the company being wound up, members are required to contribute £1 toward the settlement of any company debts.

In April 2017, we established Good Things Foundation Ltd, a charity in Australia, of whom Good Things Foundation is the sole Member. This helps us to deliver our mission, export know-how, and reach more people. We run the two charities as a Group, with both charities sharing the same objects and working closely together to ensure success.

A scheme of delegation is in place and day to day responsibility for the provision of the UK services rests with the Group Chief Executive and the UK Senior Management Team. Through the Group Chief Executive, the Group Board is responsible for ensuring that the Group is successful and legal, and that, in the UK, the charity delivers its three-year strategy and the key performance indicators are met. In Australia, the Chair of the Board and the CEO for Good Things Foundation Australia have delegated responsibility for the leadership and operations of the charity in Australia, as well as for compliance with Australian laws and good Governance. A clear schedule of delegated responsibilities sets out the relative accountabilities to the respective Boards and Officers.

Good Things Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

Governing Document and organisational structure *(continued)*

In October 2019, we began regular bi-annual meetings of a Joint Committee formed of Trustees/Directors from the Group/UK and Australian Boards. It is at this Committee that we approve Group level strategies and plans, as well as consider the Group-level risks.

Recruitment and training of Trustees

The directors of Good Things Foundation in the UK are also charity trustees for the purpose of charity law. Under the requirements of the Articles of Association, the directors are elected to serve for a period of three years after which they can stand for re-election at the next Annual General Meeting.

Our Board of Directors in the UK consists of elected and appointed directors. The elected directors consist of three staff directors elected by our staff. The appointed directors, which must be at least four and up to ten in total, are appointed to fill relevant skills gaps on our Board via open advertisement and, where appropriate, by using a recruitment agency with experience in recruiting charity trustees.

The Group Chief Executive is appointed onto the Board for the term of her employment as Group CEO at Good Things Foundation.

Trustees are provided with a buddy from the existing Board and given the opportunity to attend events and visit projects to increase their understanding of what we do. We tailor induction to meet their needs - this can include shadowing senior staff or briefing sessions with teams across the organisation.

There have been a number of changes to our Board Of Trustees over the past 12 months. In January 2023 we were delighted to welcome Vinous Ali, David Bernard and Julie Hawker and new staff-elected trustees Tom Hillsdon and Louise Branch on the Board of Trustees, who collectively bring vital skills, experience and passion that will provide valuable assets to our organisation, complementing our existing Board members.

Sadly one of our founding trustees, William Perrin resigned in February 2023. William had been on our Board since 2012 and played a key role in supporting and guiding our executive management team over the past decade. Sital Mistry also left the Board following the end of her tenure as a staff trustee in November 2022. We are extremely grateful and thankful for the significant contributions both William and Sital made to Good Things Foundation during their time as trustees.

Risk management

A Group Risk Register has been produced and is updated and reviewed at each Board meeting in the UK and Australia, and the Boards' Joint Committee. Systems and procedures are established to mitigate the risks the charities face. Procedures are in place to ensure the health and safety of staff and visitors to our premises.

The principal risks and uncertainties facing the company

The global economic outlook remains uncertain. Despite a reduction in the latter half of 2023, inflation is still higher than recent historical levels and economic growth projections for 2024 are well below long run averages. Major economies including the UK and Australia, continue to be impacted by this high and sustained inflation, rising interest rates, political uncertainty and global events in the Ukraine and Israel. Significant pressure on public finances remains and there is a risk that the declining trend in Government funding for digital inclusion initiatives and charities in general continues.

Good Things Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

The principal risks and uncertainties facing the company *(continued)*

In response to the increased risk and changing nature of the funding landscape, in the UK we have continued to diversify our funding, so we are less reliant on government funding, with us adding Nominet (June 2023) as a third strategic partner alongside Virgin Media O2 and Vodafone.

We do however continue to advocate for Government funding and investment into digital inclusion, and maintain strong relationships across a number of key government departments in the UK and Australia, and Government funding is still the principal source of funding for our Australian entity. We were therefore thrilled when the Australian Government announced in October 2023 that it was extending funding for our flagship Be Connected program for a further 4 years until end June 2028.

To meet our UK strategic ambition of engaging 1 million people by 2025, we are reliant on the National Digital Inclusion Network using our services to help people in their communities, particularly Learn My Way, our free platform for digital learning and distributing data from the National Databank. There is a risk that the uptake of our services is lower than forecast, meaning we don't hit our strategic ambition by December 2025. In mitigating this risk, we have invested in focused and scaled insight to understand and remove barriers hubs may face with Learn My Way and distributing SIMs, we will continue to increase our promotional activity creating new and physical assets to better signpost our services to beneficiaries and we will explore innovative and new ways to enable beneficiaries to access Learn My Way, the National Databank and the National Device Bank.

Whilst we have been successful to date in managing inflationary pressures through strong cost management and efficiency and rationalisation projects there is a risk that the current high inflation does not come down as forecast in 2024, leading to a material rise in operating costs, particularly in staffing costs. We have commenced a program to replace our own technology stack, which will allow us to deliver our products and services to the National Digital Inclusion Network more cost effectively and efficiently in the future. We also monitor our finances closely and have sufficient warning systems and reserves in place to allow us to take action to address any cost challenges that may arise, albeit these actions may reduce the level of impact we can have.

We estimate the National Device Bank will need in excess of 200,000 donated devices to ensure it can meet the demand for refurbished devices between now and December 2025. There is a risk that we fail to secure sufficient device donations, resulting in an inability to scale the National Device Bank and provide beneficiaries with access to devices throughout the UK. We have undertaken a number of activities focused on boosting future device donation, including: working with Deloitte and the Circular Electronics Partnership to produce "the Circular electronics for social good report" in May 2023 which provides solutions to some of the perceived donation barriers. Our advocacy work, resulted in the Government response (October 2023) to the House of Lords Communications and Digital Committee report, exploring digital exclusion and the cost of living crisis, including a commitment from the Department for Science Innovation and Technology to conduct a substantive review of their current position and identify a roadmap to future donation, and they will encourage other departments, public bodies and companies to do the same. We will continue to run awareness campaigns bringing together existing donors and new prospects.

While working internationally provides us with great opportunities to make a worldwide impact and to raise income, this is by nature riskier than working in the UK. We have developed and maintained risk registers for each major project. High risk items are escalated to the Group Risk Register when needed.

Good Things Foundation

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 30 June 2023

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report and the strategic report were approved on 30 January 2024 and signed on behalf of the board of trustees by:

H L Milner

Trustee



A Barlow

Charity Secretary



Good Things Foundation

Company Limited by Guarantee

Independent Auditor's Report to the Members of Good Things Foundation

Year ended 30 June 2023

Opinion

We have audited the financial statements of Good Things Foundation (the 'charity') for the year ended 30 June 2023 which comprise the group consolidated statement of financial activities (including income and expenditure account), the group and the company statements of financial position, the group statement of cash flows and the related notes, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and the parent charity's affairs as at 30 June 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

Good Things Foundation

Company Limited by Guarantee

Independent Auditor's Report to the Members of Good Things Foundation

(continued)

Year ended 30 June 2023

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Good Things Foundation

Company Limited by Guarantee

Independent Auditor's Report to the Members of Good Things Foundation

(continued)

Year ended 30 June 2023

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance, including the identification of related party transactions, and matters which could potentially impact on the charity's continuation as a going concern;
- results of our enquiries of management and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team, including how and where fraud might occur in the financial statements and any potential indicators of fraud.

Good Things Foundation

Company Limited by Guarantee

Independent Auditor's Report to the Members of Good Things Foundation

(continued)

Year ended 30 June 2023

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the charity operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Corporate Governance Code, Charities SORP and local tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charity's ability to operate or to avoid a material penalty.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Good Things Foundation

Company Limited by Guarantee

Independent Auditor's Report to the Members of Good Things Foundation

(continued)

Year ended 30 June 2023

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and in respect of the consolidated financial statements, to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

ANDREW THROSSELL FCA (Senior Statutory Auditor)

For and on behalf of
Hebblethwaites
Chartered Accountants and Statutory Auditors
2 Westbrook Court
Sharrow Vale Road
Sheffield
S11 8YZ

30 January 2024

Good Things Foundation

Company Limited by Guarantee

Consolidated Statement of Financial Activities (including income and expenditure account)

Year ended 30 June 2023

		Year to 30 Jun 23		Period from 1 Aug 21 to 30 Jun 22
	Note	Unrestricted funds £	Restricted funds £	Total funds £
Income and endowments				
Investment income	5	82,376	–	82,376
Other income – charitable activities	6	2,962,652	6,638,340	9,600,992
Total income		<u>3,045,028</u>	<u>6,638,340</u>	<u>9,683,368</u>
Expenditure				
Other expenditure - charitable activities	7	2,499,457	6,502,560	9,002,017
Total expenditure		<u>2,499,457</u>	<u>6,502,560</u>	<u>9,002,017</u>
Net income/(expenditure) and net movement in funds		<u>545,571</u>	<u>135,780</u>	<u>681,351</u>
Reconciliation of funds				
Total funds brought forward		2,914,530	690,850	3,605,380
Total funds carried forward		<u>3,460,101</u>	<u>826,630</u>	<u>4,286,731</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derives from continuing activities.

The notes on pages 25 to 34 form part of these financial statements.

Good Things Foundation

Company Limited by Guarantee


Consolidated Statement of Financial Position

30 June 2023

	Note	30 Jun 23 £	30 Jun 22 £
Fixed assets			
Intangible assets	13	–	173,187
Current assets			
Debtors	15	493,352	184,691
Cash at bank and in hand		<u>4,535,772</u>	<u>3,802,704</u>
		5,029,124	3,987,395
Creditors: amounts falling due within one year	16	742,393	555,202
Net current assets		4,286,731	3,432,193
Total assets less current liabilities		4,286,731	3,605,380
Net assets		<u>4,286,731</u>	<u>3,605,380</u>
Funds of the charity			
Unrestricted funds			
General		2,486,316	1,783,628
Designated		<u>973,785</u>	<u>1,130,902</u>
		3,460,101	2,914,530
Restricted funds		<u>826,630</u>	<u>690,850</u>
Total charity funds	17	<u>4,286,731</u>	<u>3,605,380</u>

These financial statements were approved by the board of trustees and authorised for issue on 30 January 2024, and are signed on behalf of the board by:

H L Milner
Trustee



E A Williams
Trustee



Company registration number: 05887661

The notes on pages 25 to 34 form part of these financial statements.

Good Things Foundation

Company Limited by Guarantee

Company Statement of Financial Position

30 June 2023

	Note	30 Jun 23 £	30 Jun 22 £
Fixed assets			
Intangible assets	13	–	173,187
Current assets			
Debtors	15	514,284	483,431
Cash at bank and in hand		3,628,477	2,897,853
		<u>4,142,761</u>	<u>3,381,284</u>
Creditors: amounts falling due within one year	16	<u>212,431</u>	<u>86,301</u>
Net current assets		<u>3,930,330</u>	<u>3,294,983</u>
Total assets less current liabilities		<u>3,930,330</u>	<u>3,468,170</u>
Net assets		<u>3,930,330</u>	<u>3,468,170</u>
Funds of the charity			
Unrestricted funds			
General		2,129,915	1,646,418
Designated		973,785	1,130,902
		<u>3,103,700</u>	<u>2,777,320</u>
Restricted funds		<u>826,630</u>	<u>690,850</u>
Total charity funds		<u>3,930,330</u>	<u>3,468,170</u>

The net income for the financial year of the parent company was £462,160 (2022: £731,499 net expenditure).

These financial statements were approved by the board of trustees and authorised for issue on 30 January 2024, and are signed on behalf of the board by:

H L Milner
Trustee



E A Williams
Trustee



Company registration number: 05887661

The notes on pages 25 to 34 form part of these financial statements.

Good Things Foundation
Company Limited by Guarantee
Consolidated Statement of Cash Flows
Year ended 30 June 2023

	Year to 30 Jun 23 £	Period from 1 Aug 21 to 30 Jun 22 £
Cash flows from operating activities		
Net income/(expenditure)	681,351	(788,908)
<i>Adjustments for:</i>		
Amortisation of intangible assets	266,502	50,105
Other interest receivable and similar income	(82,376)	(11,192)
Accrued expenses/(income)	172,351	(1,122,928)
<i>Changes in:</i>		
Trade and other debtors	(291,452)	(58,188)
Trade and other creditors	(2,369)	(121,892)
Cash generated from operations	744,007	(2,053,003)
Interest received	82,376	11,192
Tax paid	—	—
Net cash from/(used in) operating activities	826,383	(2,041,811)
Cash flows from investing activities		
Purchase of intangible assets	(93,315)	(166,080)
Net cash used in investing activities	(93,315)	(166,080)
Cash flows from financing activities		
Repayment of borrowings	—	(1,100,000)
Net cash used in financing activities	—	(1,100,000)
Net increase/(decrease) in cash and cash equivalents	733,068	(3,307,891)
Cash and cash equivalents at beginning of year	3,802,704	7,110,595
Cash and cash equivalents at end of year	4,535,772	3,802,704

The notes on pages 25 to 34 form part of these financial statements.

Good Things Foundation

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 30 June 2023

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Spaces – Acero, 1 Concourse Way, Digital Campus, Sheffield, S1 2BJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis and are prepared in sterling, which is the functional currency of the entity.

Going concern

The financial statements have been prepared on a going concern basis. The funding of the organisation is generally agreed annually for the year to 30 June. Funding has been agreed in principal for the following year and the charity has adequate reserves. The trustees consider that there is no material uncertainty about the charity's ability to continue, hence they are confident that the going concern basis is appropriate.

Consolidation

The financial statements consolidate the financial statements of Good Things Foundation and all of its subsidiary undertakings.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the management and trustees, there are no judgements or key sources of estimation uncertainty that have a significant impact on the financial statements, other than those highlighted below.

Income tax

The charity is exempt from tax on income and gains, falling within part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that these are applied to its charitable objects. No tax charges have arisen in the year.

Good Things Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are a portion of unrestricted funds that the trustees have committed to spending on a specific programme of work or purpose and are reported separately on the face of the statement of financial position and accompanying notes.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds. There were no endowment funds during the period.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable, and its amount can be measured reliably.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

In the Australian subsidiary certain grants receivable are subject to specified future conditions such that the grants are not recognised until there is reasonable assurance that the company will comply with the conditions. Where grants are received prior to satisfying the revenue recognition criteria, they are included as a creditor for deferred income.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered because of partial exemption, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- grants payable are provided to community organisations and centres to deliver grass roots activities. These activities are key elements of the contracts with funders and corporate partners, and include basic digital skills support, English language learning and other sessions.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable, and consistent basis.

Good Things Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

3. Accounting policies *(continued)*

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Intangible assets

Intangible assets are initially recorded at cost and are subsequently stated at cost less any accumulated amortisation and impairment losses.

The policy for capitalising development expenditure is specific and capitalisation only occurs when certain criteria are met, including that:

- the intangible asset developed is technically feasible, will be available for use, and its use will generate future economic benefits
- there are adequate technical, financial, and other resources available to complete the development
- the expenditure specific to the intangible asset during its development can be measured reliably

Expenditure that does not meet the above criteria is expensed as incurred.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Development costs - 33% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities, or equity instruments. Any equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs. Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and are not discounted. Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date.

The exposure to price risk, credit risk, liquidity risk and cash flow risk is not considered material for the assessment of the assets, liabilities, financial position and income or expenditure of the charity.

Good Things Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

3. Accounting policies *(continued)*

Foreign currencies

Foreign currency transactions, monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

4. Limited by guarantee

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

5. Investment income

	Unrestricted Funds	Total Funds Year to 30 Jun 23	Unrestricted Funds	Total Funds Period from 1 Aug 21 to 30 Jun 22
	£	£	£	£
Bank interest receivable	82,376	82,376	11,192	11,192

6. Other income – charitable activities

	Unrestricted Funds	Restricted Funds	Total Funds Year to 30 Jun 23
	£	£	£
Government grants	95,583	1,973,778	2,069,361
Other income	2,648,660	1,351,877	4,000,537
Grants and contracts – Australia	218,409	3,312,685	3,531,094
	<u>2,962,652</u>	<u>6,638,340</u>	<u>9,600,992</u>

	Unrestricted Funds	Restricted Funds	Total Funds Period from 1 Aug 21 to 30 Jun 22
	£	£	£
Government grants	193,892	2,199,744	2,393,636
Other income	1,752,732	1,632,619	3,385,351
Grants and contracts – Australia	206,324	2,893,277	3,099,601
	<u>2,152,948</u>	<u>6,725,640</u>	<u>8,878,588</u>

Good Things Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

7. Other expenditure – charitable activities

	Unrestricted Funds	Restricted Funds	Total Funds Year to 30 Jun 23
	£	£	£
Grants payable	638,878	3,606,980	4,245,858
Staff and HR costs	897,291	2,449,196	3,346,487
Network and development costs	406,839	446,384	853,223
Establishment costs	96,658	–	96,658
Motor and travel costs	47,552	–	47,552
Office and other administration expenses	412,239	–	412,239
	<u>2,499,457</u>	<u>6,502,560</u>	<u>9,002,017</u>

	Unrestricted Funds	Restricted Funds	Total Funds Period from 1 Aug 21 to 30 Jun 22
	£	£	£
Grants payable	248,835	5,077,344	5,326,179
Staff and HR costs	873,913	2,480,743	3,354,656
Network and development costs	201,099	519,909	721,008
Establishment costs	83,078	31,087	114,165
Motor and travel costs	11,169	1,578	12,747
Office and other administration expenses	117,392	32,541	149,933
	<u>1,535,486</u>	<u>8,143,202</u>	<u>9,678,688</u>

Office and other administration expenses include the following governance costs:

	Year to 30 Jun 23	Period from 1 Aug 21 to 30 Jun 22
	£	£
Audit fees	20,462	21,158
Legal and consultancy fees	4,594	3,268
	<u>25,056</u>	<u>24,426</u>

8. Auditors' remuneration

	Year to 30 Jun 23	Period from 1 Aug 21 to 30 Jun 22
	£	£
Audit of parent company	12,000	12,000
Other non-audit services	3,400	2,335
Audit of subsidiary – Saward Dawson	8,462	9,158
Other non-audit services – Saward Dawson	2,908	12,447
	<u>26,770</u>	<u>35,940</u>

Good Things Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

9. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	Year to 30 Jun 23	Period from 1 Aug 21 to 30 Jun 22
	£	£
Amortisation of intangible assets	<u>266,502</u>	<u>50,105</u>

Exchange differences recognised in the accounts during the year amounted to a loss of £26,507 (Period ended 30 June 2022 gain of £27,161).

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	Year to 30 Jun 23	Period from 1 Aug 21 to 30 Jun 22
	£	£
Wages and salaries	2,681,011	2,791,561
Social security costs	269,262	342,721
Pension contributions	175,808	190,046
	<u>3,126,081</u>	<u>3,324,328</u>

The average head count of employees during the year was 71 (Period to 30 June 2022 81).

The number of employees whose employee benefits (excluding employer pension costs and employer national insurance contributions) exceeded £60,000, are banded as follows:

	Year to 30 Jun 23 No.	Period from 1 Aug 21 to 30 Jun 22 No.
£60,000 to £69,999	1	3
£70,000 to £79,999	2	1
£90,000 to £99,999	1	1
£130,000 to £139,999	-	1
£150,000 to £159,999	1	-
	<u>5</u>	<u>6</u>

The amount attributable to the highest paid director for the year was remuneration of £153,448 (Period to 30 June 2022 £136,335), and employer pension contributions of £15,345 (Period to 30 June 2022 £13,634).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. This includes the CEO and senior management team, but excludes the staff-elected trustees. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services provided to the charity for the year was £853,500 (Period to 30 June 2022 £751,635).

Good Things Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

11. Trustee remuneration and expenses

No remuneration is paid to the trustees/directors for their services as trustees/directors. Trustees travel expenses paid during the year amounted to £2,166 (2022 £441) for 7 (2022 2) trustees. As a staff mutual organisation, trustees include staff members, H L Milner, H J Whelan, T S Hillsdon from 23 January 2023 and L O Branch from 23 January 2023. Also serving during the year was S Mistry until 24 November 2022. Staff costs and expenses for the year include £233,066 (2022 £219,915) of remuneration, £23,306 (2022 £21,991) of pension contributions, with £813 (2022 £56) of expenses for 2 (2022 1) members of staff who are trustees/directors.

The charity has insurance to indemnify the trustees, other officers and the charity against the consequences of any neglect or default on the part of the trustees, employees and agents.

12. Net income/expenditure attributable to members of the parent company charity

The net income dealt with in the financial statements of the parent company charity was £462,160 (2022 net expenditure of £731,499). This comprises net income on unrestricted funds of £326,380 (2022 net income of £686,063) and net income on restricted funds of £135,780 (2022 net expenditure of £1,417,562). Total income during the year amounted to £6,183,355 (2022 £5,897,178) and total expenditure £5,721,195 (2022 £6,628,677).

13. Intangible assets

Group and company	Development costs £
Cost	
At 1 July 2022	227,000
Additions	93,315
Disposals	(320,315)
At 30 June 2023	—
Amortisation	
At 1 July 2022	53,813
Charge for the year	266,502
Disposals	(320,315)
At 30 June 2023	—
Carrying amount	
At 30 June 2023	—
At 30 June 2022	173,187

Over the past three years, the charity has incurred expenditure in developing its IT systems, including the development of an online skills platform, evaluation of data architecture and new website. Certain elements of this expenditure have been capitalised, resulting in the recognition of an internally generated intangible asset. Whilst the online skills platform is live, the data architecture which supports this and development of a new website are still at the research stage. It was therefore determined that the costs capitalised as at the year-end should be written off in full, and all future expenditure on these projects should be expensed as and when incurred.

Good Things Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

14. Investments

Good Things Foundation Limited, a not-for-profit company limited by guarantee and incorporated in Australia, is controlled by Good Things Foundation, which is the sole member. Good Things Foundation Limited was incorporated on 4 April 2017 and is registered with the Australian Charities and Not-for-profits Commission. The registered office of the company is 223 Liverpool Street, Darlinghurst, NSW, 2010 and the Australian Business Number (ABN) is 92618363974.

The financial statements for Good Things Foundation Limited, which have been included within the consolidated financial statements for Good Things Foundation and translated at the year-end exchange rate, may be summarised as:

Statement of Profit or Loss and Other Comprehensive Income

	Year to 30 Jun 23 £	Period from 1 Aug 21 to 30 Jun 22 £
Revenue	3,551,689	3,100,995
Expenses	(3,322,067)	(3,172,395)
Surplus/(deficit) for the period	<u>229,622</u>	<u>(71,400)</u>

Statement of Financial Position

	30 Jun 23 £	30 Jun 22 £
Current assets		
Cash and cash equivalents	907,296	904,852
Trade and other receivables	14,715	108,423
Prepayments and accrued income	12,038	6,807
Current liabilities		
Trade and other payables	(134,135)	(177,405)
Intercompany current account	(47,684)	(413,969)
Unearned income	(395,828)	(291,498)
Net Assets	<u>356,402</u>	<u>137,210</u>

15. Debtors

	Group		Company	
	30 Jun 23 £	30 Jun 22 £	30 Jun 23 £	30 Jun 22 £
Trade debtors	395,120	88,047	395,120	13,260
Amounts owed by group undertakings	—	—	47,684	413,969
Prepayments and accrued income	78,558	61,349	66,520	54,543
VAT/GST debtors	10,905	28,745	—	—
Other debtors	8,769	6,550	4,960	1,659
	<u>493,352</u>	<u>184,691</u>	<u>514,284</u>	<u>483,431</u>

Amounts owed by group undertakings are interest free with no fixed repayment terms.

Good Things Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

16. Creditors: amounts falling due within one year

	Group		Company	
	30 Jun 23	30 Jun 22	30 Jun 23	30 Jun 22
	£	£	£	£
Trade creditors	99,017	83,966	72,972	49,053
Accruals and deferred income	192,428	107,198	93,298	19,271
Deferred income – Australia	395,828	291,498	–	–
VAT/GST creditors	54,287	33,746	45,328	17,238
Pension contributions payable	–	38,055	–	–
Other creditors	833	739	833	739
	<u>742,393</u>	<u>555,202</u>	<u>212,431</u>	<u>86,301</u>

17. Analysis of charitable funds

Unrestricted funds

	At 1 July 2022	Income	Expenditure	At 30 June 2023
	£	£	£	£
General funds	1,783,628	933,600	(230,912)	2,486,316
Designated funds	1,130,902	2,111,428	(2,268,545)	973,785
	<u>2,914,530</u>	<u>3,045,028</u>	<u>(2,499,457)</u>	<u>3,460,101</u>

Funds received from the charity's Strategic Partners, Virgin Media O2, Vodafone and Nominet, have been segregated from general unrestricted funds and are reported separately as designated funds. These funds will be spent during the period between the year-end date and 31 December 2025 on the delivery of the charity's current strategy, being to engage 1 million people across the UK, helping them to benefit from the digital world and to support 5,000 active digital inclusion hubs in the UK.

Restricted funds

	At 1 July 2022	Income	Expenditure	At 30 June 2023
	£	£	£	£
Restricted Funds	<u>690,850</u>	<u>6,638,340</u>	<u>(6,502,560)</u>	<u>826,630</u>

Restricted funds at the balance sheet date reflect the funding profiles of major projects and are not actual surpluses carried forward. The company year-end falls in the middle of funding periods for major projects, hence these amounts are profiled to be spent in line with the funding arrangements which go beyond the year end.

Good Things Foundation

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 30 June 2023

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 30 Jun 23 £	Total Funds 30 Jun 22 £
Intangible assets	—	—	—	173,187
Current assets	3,830,765	1,198,359	5,029,124	3,987,395
Creditors less than 1 year	(370,664)	(371,729)	(742,393)	(555,202)
Net assets	3,460,101	826,630	4,286,731	3,605,380

19. Analysis of changes in net debt

	At 1 Jul 22 £	Cash flows £	At 30 Jun 23 £
Cash at bank and in hand	3,802,704	733,068	4,535,772

20. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Company	
	30 Jun 23 £	30 Jun 22 £	30 Jun 23 £	30 Jun 22 £
Not later than 1 year	44,673	41,924	13,506	9,800

Lease payments recognised as an expense during the year amounted to £65,231 (Period to 30 June 2022 £74,570).

21. Related parties

During the year, an unconditional donation of £500,000 was received into unrestricted funds from Mrs F Perrin, wife of W J Perrin, former Trustee. Gift aid of 25% was also claimed on this donation.

The financial statements do not include disclosures of all transactions between the subsidiary, Good Things Foundation Limited, Australia, and its parent as the subsidiary's activities are 100% controlled by Good Things Foundation.