

REGISTERED COMPANY NUMBER: 11217058 (England and Wales)
REGISTERED CHARITY NUMBER: 1180081

Report of the Trustees and
Financial Statements for the Year Ended 31 January 2023
for
Card Factory Foundation

Richard Smedley Limited
Chartered Accountants & Registered Auditors
Richmond House
Lawnswood Business Park
Redvers Close
Leeds
West Yorkshire
LS16 6QY

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for the Year Ended 31 January 2023

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Card Factory Foundation

Reference and Administrative Details
for the Year Ended 31 January 2023

TRUSTEES

S Glass Director
J Hardy Director
N L Rogerson Director
S J L Rowney Director
C Thompson Hayes Director (resigned 13.4.2022)
S M Gleadall Director (resigned 22.9.2023)
B N Waring Director (appointed 1.9.2022)

REGISTERED OFFICE

Century House
Brunel Road
Wakefield
West Yorkshire
WF2 0XG

**REGISTERED COMPANY
NUMBER**

11217058 (England and Wales)

REGISTERED CHARITY NUMBER 1180081

AUDITORS

Richard Smedley Limited
Chartered Accountants & Registered Auditors
Richmond House
Lawnswood Business Park
Redvers Close
Leeds
West Yorkshire
LS16 6QY

**KEY MANAGEMENT
PERSONNEL**

Pushpinder Gill

(Head of Foundation, appointed
24.07.2023)

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 January 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Foundation's objects are to further such charitable purposes (charitable under English law) as the trustees see fit from time to time.

The Foundation has three core funding arms, as follows:

- **Match Fund:** through which the Foundation provides matching funds for money raised by colleagues at Card Factory PLC for charitable causes;
- **Family Fund:** through which the Foundation offers financial support during times of need, when Card Factory PLC colleagues are experiencing hardship following a life-changing event;
- **Community Fund:** through which the Foundation allocates grant funding to local projects, charitable causes and welfare needs to benefit the communities where Card Factory Plc operates.

The Foundation fulfils its funding objectives through the following means:

- Providing grants or donations to charitable causes;
- Matching funds for money raised by Card Factory PLC colleagues for charitable causes;
- Extending support, whether financial or otherwise, to projects that improve lives;
- Offering assistance, financial or otherwise, to mitigate hardship stemming from life changing events.

The Foundation will not support:

- Activities conducted by public bodies or organisations contracted to provide public services on their behalf;
- Projects with a political dimension;
- Covering mortgage payments, rental costs or ordinary household expenses (unless arrears result from a life-changing event in line with fund policies);
- Recreation travel for non-medical purposes;
- Projects that, in the reasonable opinion of the Charities Trustees, could damage the Charity's reputation;
- Any non-charitable purposes.

When reviewing the Charity's aims, objectives, and future activities, the trustees refer to the Charity Commission's general guidance on public benefit, with particular focus on how planned activities align with the established aims and objectives.

STRATEGIC REPORT

Achievement and performance

Charitable activities

In the year 2022/23 the foundation has donated £235,920 to charitable causes, colleagues and communities.

During this time we proudly matched 38 grants of almost £80,000, under the Match Fund program. These contributions have empowered colleagues of Card Factory PLC to further their charitable activities and make a meaningful difference in the causes they care about.

The Family Fund continues to serve as a pillar of support during times of dire need, ensuring that colleagues of Card Factory PLC are not alone when facing the challenges that arise from life-changing events. We have continued to provide vital financial assistance, extending a lifeline to those in need. As part of our ongoing commitment to support our colleagues of Card Factory PLC during hardship, the Card Factory Foundation introduced the Cost of Living Fund in December 2022. This two-month initiative was specifically designed to provide assistance to Card Factory PLC colleagues across the UK who were facing financial hardship due to the escalating costs of essential items like food, rent, energy, and utility bills.

Recognising the heightened impact of rising living costs, particularly during the holiday season, we launched this fund to offer relief. The Cost of Living Fund granted assistance of up to £450 to applicants, ultimately extending support to over 130 colleagues and distributing more than £40,000 in financial aid. We are dedicated to making a positive difference in the lives of colleagues of Card Factory PLC, and the Cost of Living Fund is a testament to our ongoing commitment to their well-being.

The Foundation remains dedicated to uplifting the communities in which Card Factory operates. Through grant funding, this program has empowered local projects, charitable causes, and welfare initiatives that have a positive and lasting impact on our community. In the past year, the Card Factory Foundation proudly awarded 30 grants, with a total value of over £114,000, through the Community Fund, strengthening the bonds we share with our communities and contributing to their welfare.

The Card Factory Foundation is steadfast in its dedication to making a meaningful difference in the lives of colleagues of Card Factory PLC and the communities we serve. By channelling our resources and efforts through these core funding arms, we aim to uplift, support, and empower those in need, and we look forward to continuing and building upon these initiatives in the year ahead.

Fundraising activities

The Charity does not carry out significant fundraising activities and does not use professional fundraisers.

Financial review

Financial position

The Foundation's principal source of funding is Sportswift Limited, a subsidiary of Card Factory Plc. Monthly cash donations are calculated based on the proceeds of sale of the plastic carrier bags sold in the Card Factory Plc stores. The Foundation received cash income in the year totalling £1,440,098.

Reserves policy

The total of funds held at the 31st January 2023 was £3,679,314. The Charity currently has no restricted or designated funds, so these funds are all reserves.

The Reserves Policy was revised and approved by the Board in October 2023, stipulating that the Foundation must maintain unrestricted accessible cash reserves to cover our pledged commitments, uncommitted funds for our grants programs, and 6 months of operating costs and overheads, resulting in the current reserves policy target of £700,000. The Foundation currently maintains reserves well above this target, primarily due to a temporary slowdown in grant-making during 2020-21, in response to the COVID-19 pandemic, and in 2022-23 to conduct a comprehensive strategic and operational review. As part of our 2023-28 strategy, the Foundation intends to gradually deplete the surplus reserves.

STRATEGIC REPORT

Financial review

Going concern

The financial statements have been prepared on a going concern basis as we believe that no material uncertainties exist.

Principal risks and uncertainties

The Trustees have undertaken a comprehensive assessment of the major risks to which the Foundation is exposed, evaluating them based on both their probability and potential impact. The Board has adopted mitigation strategies in alignment with the Foundation's risk tolerance, and these measures are documented in a regularly reviewed risk register, updated and approved annually. When necessary, the Foundation has implemented systems and procedures to effectively address these identified risks. The Head of Foundation continually monitors fluctuations in risk levels and the emergence of new risk factors that could potentially affect the Foundation, promptly alerting the Trustees to any concerns.

We have identified and are actively addressing the following top three key risk areas:

Operational Risk - Key Person Dependency: We acknowledge the importance of our staff's expertise and experience in our initiatives. The loss or extended absence of a key team member could hinder project success. To mitigate this risk, the Card Factory Foundation will implement strong internal controls following Charity Commission guidelines, ensuring the duties and responsibilities are clear and ensure policies and process are documented for all foundation staff to continue operations.

Financial Risk - Income Dependency: In recognising the paramount importance of financial stability and our historical dependence on limited funding sources, we are actively addressing the financial risk associated with any potential reduction in these income streams. We are diversifying our funds through investment and focusing on increasing the size of our reserve fund over time to provide a financial buffer. These measures collectively enhance our financial resilience, safeguarding our commitment to vital charitable initiatives.

Operational Risk - IT Disruption: In order to protect our IT infrastructure and data security, we recognise the need to proactively ensure regular system maintenance, and disaster recovery planning to ensure uninterrupted operations, that could affect the security and office equipment, emails, or documentation. We will address this risk by introducing a framework agreement, maintaining regular IT system updates, enacting backup and disaster recovery plan, offering IT training to staff and upholding security measures.

By proactively addressing these key risk areas, we aim to safeguard the foundation's mission and ensure our continued ability to make a positive and lasting impact on the communities we serve.

Future plans

The Charity acknowledges its ongoing income sources, including revenue from the sale of carrier bags and other agreed charitable fundraising initiatives through Sportsworld Limited, a subsidiary of Card Factory Plc. In late 2022, a comprehensive strategic and operational review of the Card Factory Foundation commenced, with an anticipated conclusion in early 2024.

Throughout 2023, this review centred on the implementation of a new management structure and the refinement of key policies and processes. Looking ahead to early 2024, our Foundation is actively preparing to introduce an evolved grant-making strategy. This new strategy will emphasise a thorough evaluation of the relevance, delivery, and impact of our three core funding aims. Through these strategic efforts, we aim to enhance the effectiveness of our grant-making activities to charities and further our commitment to making a lasting difference in our communities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

In our commitment to transparency and governance, the Card Factory Foundation implements a rigorous process for recruiting and appointing new trustees. We recognise the critical role trustees play in guiding our mission and ensuring the effective stewardship of our charitable activities. This process includes clear Trustee job descriptions, a robust shortlisting and scoring matrix, and an induction and exit plan for new trustees.

These procedures align with our Articles of Association, which, according to Article 8, state that Directors automatically become Trustees, emphasising the seamless integration of these roles. Our commitment to transparency and accountability is further demonstrated by maintaining a Register of Trustees as per Article 8.2. Under Article 8.5, Trustees are the subscribers to the Memorandum of Association, emphasising our adherence to the Foundation's core values. Subsequent Trustees are elected by existing Trustees, highlighting our collaborative and inclusive approach to appointments. Our Articles of Association, specifically in Section 9, detail circumstances under which a Trustee may cease their role, ensuring compliance with regulations and maintaining Board integrity.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Foundation is a charitable company limited by guarantee, incorporated at Companies House on 21 February 2018 and registered as a charity with the Charity Commission for England and Wales on 26 September 2018. The Foundation is governed under its Articles of Association which established its objects and powers.

The directors of the company are also charity trustees for the purposes of charity. All trustees give their time voluntarily and received no benefits from the charity.

Management of the Foundation

The Foundation is chaired by Brian Waring, who brings a wealth of experience from previous board-level marketing positions and charity roles. Our Board of Trustees also includes Susan Glass, Nicola Rogerson, Jane Rowney, and Julie Hardy.

The day-to-day management of the Foundation is overseen by Pushpinder Gill, who assumed the role of Head of Foundation in July 2023, responsible for ensuring the foundation's efficient operation. Pushpinder and her team propose grant recommendations to the Trustees, adhering to established grant-making policies and an approved scheme of authority.

Appointment of trustees

The Articles of Association support a minimum of two Trustees. There is no maximum number of Trustees.

Trustee Induction and Training

New Trustees attend comprehensive induction and training sessions conducted by the Head of Foundation and existing Trustees. These sessions are designed to familiarise them with the charity, its governance structure, and the broader operational environment.

Richard Smedley Limited, Chartered Accountants, and Registered Auditors, currently serve as the charity's auditors, have expressed their willingness to continue in that capacity.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Card Factory Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 30 October 2023 and signed on the board's behalf by:

A handwritten signature in dark ink, appearing to read 'B N Waring', is written over a light blue horizontal line. The signature is fluid and cursive.

B N Waring - Trustee

Report of the Independent Auditors to the Members of
Card Factory Foundation

Opinion

We have audited the financial statements of Card Factory Foundation (the 'charitable company') for the year ended 31 January 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 January 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

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

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the nature of the industry and sector, control environment and business performance ;
- results of our enquiries of the trustees about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the foundation'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;

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 foundation 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 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 foundation's ability to operate or to avoid a material penalty.

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

Report of the Independent Auditors to the Members of
Card Factory Foundation

Use of our report

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

Richard Smedley FCA (Senior Statutory Auditor)
for and on behalf of Richard Smedley Limited
Chartered Accountants & Registered Auditors
Richmond House
Lawnswood Business Park
Redvers Close
Leeds
West Yorkshire
LS16 6QY

30 October 2023

Card Factory Foundation

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 January 2023

		31.1.23	31.1.22
		Unrestricted	Total
		fund	funds
		£	£
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	1,440,098	1,005,569
EXPENDITURE ON			
Raising funds	3	110,187	219,340
Other		-	80,203
Total		110,187	299,543
NET INCOME		1,329,911	706,026
RECONCILIATION OF FUNDS			
Total funds brought forward		2,349,403	1,643,377
TOTAL FUNDS CARRIED FORWARD		3,679,314	2,349,403

The notes form part of these financial statements

Card Factory Foundation

Balance Sheet

31 January 2023

	Notes	31.1.23 Unrestricted fund £	31.1.22 Total funds £
CURRENT ASSETS			
Debtors	9	281,490	681,567
Cash at bank		3,413,396	1,831,866
		3,694,886	2,513,433
CREDITORS			
Amounts falling due within one year	10	(15,572)	(164,030)
NET CURRENT ASSETS		3,679,314	2,349,403
TOTAL ASSETS LESS CURRENT LIABILITIES		3,679,314	2,349,403
NET ASSETS		3,679,314	2,349,403
FUNDS	11		
Unrestricted funds		3,679,314	2,349,403
TOTAL FUNDS		3,679,314	2,349,403

The financial statements were approved by the Board of Trustees and authorised for issue on 30 October 2023 and were signed on its behalf by:



B N Waring - Trustee

Card Factory Foundation

Cash Flow Statement

for the Year Ended 31 January 2023

	Notes	31.1.23 £	31.1.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>1,581,530</u>	<u>625,306</u>
Net cash provided by operating activities		<u>1,581,530</u>	<u>625,306</u>
Change in cash and cash equivalents in the reporting period		1,581,530	625,306
Cash and cash equivalents at the beginning of the reporting period		<u>1,831,866</u>	<u>1,206,560</u>
Cash and cash equivalents at the end of the reporting period		<u><u>3,413,396</u></u>	<u><u>1,831,866</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 January 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.1.23 £	31.1.22 £
Net income for the reporting period (as per the Statement of Financial Activities)	1,329,911	706,026
Adjustments for:		
Decrease in debtors	400,077	155,162
Decrease in creditors	(148,458)	(235,882)
Net cash provided by operations	1,581,530	625,306

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.2.22 £	Cash flow £	At 31.1.23 £
Net cash			
Cash at bank	1,831,866	1,581,530	3,413,396
	1,831,866	1,581,530	3,413,396
Total	1,831,866	1,581,530	3,413,396

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in Sterling (£).

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Expenditure is apportioned where it relates to more than one cost category. The method of apportionment uses the most appropriate basis in each case.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Debtors, creditors and cash and cash equivalents

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash is represented by deposits with financial institutions.

Notes to the Financial Statements - continued
for the Year Ended 31 January 2023

2. DONATIONS AND LEGACIES

	31.1.23	31.1.22
	£	£
Donations	<u>1,440,098</u>	<u>1,005,569</u>

3. RAISING FUNDS

Raising donations and legacies

	31.1.23	31.1.22
	£	£
Support costs	<u>110,187</u>	<u>219,260</u>

Other trading activities

	31.1.23	31.1.22
	£	£
Support costs	<u>-</u>	<u>80</u>
Aggregate amounts	<u>110,187</u>	<u>219,340</u>

4. SUPPORT COSTS

	Management	Finance	Governance	Totals
	£	£	£	£
Raising donations and legacies	<u>104,256</u>	<u>431</u>	<u>5,500</u>	<u>110,187</u>

5. NET INCOME/(EXPENDITURE)

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

	31.1.23	31.1.22
	£	£
Auditors' remuneration	3,500	3,500
Other non-audit services	<u>2,000</u>	<u>2,500</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 January 2023 nor for the year ended 31 January 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 January 2023 nor for the year ended 31 January 2022.

7. STAFF COSTS

The average number of employees for the period was 0 (2022 - 0).

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	1,005,569
EXPENDITURE ON	
Raising funds	219,340
Other	80,203
Total	299,543
NET INCOME	706,026
RECONCILIATION OF FUNDS	
Total funds brought forward	1,643,377
TOTAL FUNDS CARRIED FORWARD	2,349,403

Notes to the Financial Statements - continued
for the Year Ended 31 January 2023

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.23	31.1.22
	£	£
VAT	24,269	24,229
Accrued income	257,221	657,338
	<u>281,490</u>	<u>681,567</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.1.23	31.1.22
	£	£
Accrued expenses	15,572	164,030
	<u>15,572</u>	<u>164,030</u>

11. MOVEMENT IN FUNDS

	At 1.2.22	Net movement in funds	At 31.1.23
	£	£	£
Unrestricted funds			
General fund	2,349,403	1,329,911	3,679,314
	<u>2,349,403</u>	<u>1,329,911</u>	<u>3,679,314</u>
TOTAL FUNDS	<u>2,349,403</u>	<u>1,329,911</u>	<u>3,679,314</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,440,098	(110,187)	1,329,911
	<u>1,440,098</u>	<u>(110,187)</u>	<u>1,329,911</u>
TOTAL FUNDS	<u>1,440,098</u>	<u>(110,187)</u>	<u>1,329,911</u>

Comparatives for movement in funds

	At 1.2.21	Net movement in funds	At 31.1.22
	£	£	£
Unrestricted funds			
General fund	1,643,377	706,026	2,349,403
	<u>1,643,377</u>	<u>706,026</u>	<u>2,349,403</u>
TOTAL FUNDS	<u>1,643,377</u>	<u>706,026</u>	<u>2,349,403</u>

Notes to the Financial Statements - continued
for the Year Ended 31 January 2023

11. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,005,569	(299,543)	706,026
TOTAL FUNDS	<u>1,005,569</u>	<u>(299,543)</u>	<u>706,026</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.2.21 £	Net movement in funds £	At 31.1.23 £
Unrestricted funds			
General fund	1,643,377	2,035,937	3,679,314
TOTAL FUNDS	<u>1,643,377</u>	<u>2,035,937</u>	<u>3,679,314</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,445,667	(409,730)	2,035,937
TOTAL FUNDS	<u>2,445,667</u>	<u>(409,730)</u>	<u>2,035,937</u>

12. RELATED PARTY DISCLOSURES

The trustees consider Card Factory Plc to be a related party as Card Factory Foundation derives all its income from Card Factory Plc.

In the year, Card Factory Foundation received £1,440,898 in donations from Card Factory Plc.

At 31st January 2023, £257,221 of donations were outstanding from Card Factory Plc. These were received after the year end.

13. POST BALANCE SHEET EVENTS

The trustees consider there are no post balance sheet events.

Card Factory Foundation

Detailed Statement of Financial Activities
for the Year Ended 31 January 2023

	31.1.23 £	31.1.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,440,098	1,005,569
Total incoming resources	1,440,098	1,005,569
EXPENDITURE		
Support costs		
Management		
Insurance	641	-
Sundries	434	920
Donations	77,264	281,630
Administrative expenses	15,216	10,913
Counsellancy fees	10,701	-
	104,256	293,463
Finance		
Bank charges	431	80
Governance costs		
Auditors' remuneration	3,500	3,500
Auditors' remuneration for non audit work	2,000	2,500
	5,500	6,000
Total resources expended	110,187	299,543
Net income	1,329,911	706,026