

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2021
for
Institute for Sustainable Philanthropy

Mander Duffill
Chartered Accountants
The Old Post Office
41-43 Market Place
Chippenham
Wiltshire
SN15 3HR

Institute for Sustainable Philanthropy

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for the Year Ended 31 December 2021**

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Institute for Sustainable Philanthropy

Report of the Trustees **for the Year Ended 31 December 2021**

The trustees present their report with the financial statements of the charity for the year ended 31 December 2021. 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 purposes of the Institute for Sustainable Philanthropy (IFSP) are:

To advance education for the public benefit in the techniques and skills of philanthropy, enabling charities and other nonprofit bodies to increase their funding to further their charitable purposes. We do this by:

1. Conducting research through the lens of philanthropic psychology into philanthropy and fundraising; and
2. Providing education, training and support to enable all stakeholders to utilize the emerging science that we and others generate.

The Institute exists to grow personally meaningful philanthropy around the world and it will do so by focusing on developing the science of how people love others and love themselves. If the experience of philanthropy can be made more meaningful, we now know that individuals will give more and give for longer.

Currently our research programs focus on the science of identity, love and wellbeing and we generate new theory which we then test in field experiments with charities and other nonprofits around the world. We then publish our findings in academic journals, books or in our own research report series (which is free to download) so that others may use the ideas. We also disseminate this work through sector conferences and events, globally. In 2021 we presented (digitally and face-to-face) at conferences based in the UK, USA, Italy and Switzerland. We also offer a range of digital learning packages and Certificate courses which showcase these ideas and teach participants how to use them. The Institute will also mentor charities/nonprofits who wish to switch to a communications approach, based on philanthropic psychology.

The creation of new scientific research and the dissemination of our findings is the core of the public benefit we provide. Our trustees have been issued with copies of the guidance issued by the Charity Commission on public benefit. Such guidance is also provided to new trustees as part of their induction process. The Board takes its responsibilities in this regard very seriously and all our activities are consistent with that guidance. The IFSP's activities are reviewed quarterly by the full Board and we now have a governance sub-committee of the full board whose role (in part) is to oversee the evolution of our public benefit activities and inform our strategic thinking and plans.

Institute for Sustainable Philanthropy

Report of the Trustees **for the Year Ended 31 December 2021**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Our activities group into three broad

1. Scientific Research and Publications

In 2021 we published the fourth edition of our UK fundraising textbook.

Sargeant A and George J (2021) Fundraising Management: Analysis, Planning and Practice, 4th edition, Routledge, London.

We have also been focusing on production of our scholarly textbook on Philanthropic Psychology. We are on course to deliver that for publication in late 2022.

Our paper containing a major new contribution to identity theory - the theory of unconditional oneness - is now out for review and we would hope to see that published in 2022/3.

We have also been working with the Australian Centre for Philanthropy and Nonprofit Studies developing a new paper on Philanthropic Orientation. We hope to have a draft of the first paper on that theme in 2022.

Alongside our publications we have been continuing to collect data from our field experiments, working with charities in the UK, USA, Canada and Australia.

2. Educational Programming

In 2021 we had the following impact:

- 390 individuals enrolled in our entry level fundraising class - the Fundraising Standard.
- 150 individuals participated in our online webinars.
- 164 individuals participated in our Certificate in Philanthropic Psychology or Certificate in Fundraising Copywriting.
- 26 individuals attended our Certificate in Legacy Fundraising or the Bequest Fundraising Standard (our US variant).
- 750 people attended our speaking engagements for third parties such as the Association of Fundraising Professionals
- Our Certificate in Philanthropic Psychology was delivered in Spanish for the first time
- We delivered a new online Diploma in Fundraising Management for Charities Institute Ireland (CII). Fifteen students completed the nine month program which will repeat in 2022.
- 260 individuals downloaded one of our reports from our website.

3. Mentoring and Consultancy Support

As outlined above, the Institute works with clients to help them embed new approaches to donor communication based on our philanthropic psychology principles. In 2021, clients included RSPCA (both Queensland and New South Wales in 2022), Marie Curie, Alzheimer's Society, FOCUS, and Corus International. Many of these partnerships allow us to collect experimental data which can then be reported in the mechanisms we describe above. We will only work with organizations who are willing to allow us to disseminate results to a wider audience.

Institute for Sustainable Philanthropy

Report of the Trustees **for the Year Ended 31 December 2021**

In 2021 we have shown experimentally how applying the latest science can result in uplifts in giving as high as 140% while at the same time building the wellbeing experienced by the donor. It is now possible to double giving by attending to how good people feel about who they are (i.e. their important identities) when they give. One of our most recent analyses in 2021 shows that not only can designing supporter communications around important identities and motivations drive an increase in giving, but it can also make people feel better about themselves resulting from their support by between 128% to 310%.

The uplift in giving is also found by fundraising professionals (e.g. from Leprosy Mission, Volunteers of America and USA for UNHCR) who have completed one of our educational certificates. These courses have been running since 2020, and we are now starting to receive reports from alumni of doubled giving income when implementing the concepts of philanthropic psychology taught in the certificate.

FINANCIAL REVIEW

Reserves policy

IFSP intends to hold three months of all expenditure plus a further three months staff costs to allow the organization to adapt to any changes in the income or expenditure of the organization. The trustees established £120,000 as the target for 2021, based on the 2020 financial report. This target for cash reserves was met and exceeded, making it possible to invest in additional members of our team. We will be advertising for a new administrator, digital marketer and data analyst early in 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The IFSP is a Charitable Incorporated Organization (CIO) adopting a constitution as its governing document.

The Board of trustees administers the charity. The Board meets quarterly and there are sub-committees covering governance, mission (public benefit) and finance/audit. The Board also appoints a Director to manage the day-to-day operations of the organization and currently this role is split between Prof Adrian Sargeant and Prof Jen Shang. To facilitate effective operations, the Director(s) have delegated authority, within the terms of delegation approved by the trustees, for matters including finance, employment, teaching and research.

We currently have 7 trustees and are permitted to appoint a maximum of 12. Each trustee will normally serve a term of three years. We are currently staggering the timeline of these appointments to ensure continuity and stability.

All current members of the Board are encouraged to nominate new trustees and we will occasionally advertise these roles as circumstances require. We are committed to achieving greater diversity in our governing Board and are working toward that goal.

New trustees will undergo an orientation to brief them on their legal obligations under charity law, the Charity Commission guidance on public benefit, content of our constitution, the Board, its sub-committees and its decision-making processes and the business plan and recent past performance of the charity. Currently any new trustees would be inducted remotely.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1181003

Principal address

The Philanthropy Centre
Unit 12 The Business Centre
Plymouth
Devon
PL4 0EG

Institute for Sustainable Philanthropy

Report of the Trustees
for the Year Ended 31 December 2021

Trustees

Dr M Naylor Trustee
Dr J Hudson Trustee
Dr M Beem Trustee
J Love Trustee
N Harris Trustee
C Longfield Trustee
Mrs C Stergiou Trustee (appointed 1.1.21)

Independent Examiner

Mander Duffill
Chartered Accountants
The Old Post Office
41-43 Market Place
Chippenham
Wiltshire
SN15 3HR

Approved by order of the board of trustees on 14/04/2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Matt Beem', written over a dotted line.

Dr M Beem - Trustee

**Independent Examiner's Report to the Trustees of
Institute for Sustainable Philanthropy**

Independent examiner's report to the trustees of Institute for Sustainable Philanthropy

I report to the charity trustees on my examination of the accounts of Institute for Sustainable Philanthropy (the Trust) for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

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

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA which is one of the listed bodies.

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

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

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



Andrew Davis
FCA
Mander Duffill
Chartered Accountants
The Old Post Office
41-43 Market Place
Chippenham
Wiltshire
SN15 3HR

Date: 21 APRIL 2022.....

Institute for Sustainable Philanthropy

Statement of Financial Activities
for the Year Ended 31 December 2021

	Notes	Unrestricted fund £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	126,309	67,353	193,662	38,899
Charitable activities	3				
Scientific research		83,362	-	83,362	139,127
Education and training		256,118	-	256,118	243,377
		<hr/>	<hr/>	<hr/>	<hr/>
Total		465,789	67,353	533,142	421,403
EXPENDITURE ON					
Charitable activities	4				
Scientific research		22,385	-	22,385	161,210
Education and training		200,223	-	200,223	38,350
Other		<u>97,883</u>	<u>-</u>	<u>97,883</u>	<u>84,037</u>
Total		<u>320,491</u>	<u>-</u>	<u>320,491</u>	<u>283,597</u>
NET INCOME		145,298	67,353	212,651	137,806
RECONCILIATION OF FUNDS					
Total funds brought forward		163,019	-	163,019	25,213
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		<u>308,317</u>	<u>67,353</u>	<u>375,670</u>	<u>163,019</u>

The notes form part of these financial statements

Institute for Sustainable Philanthropy

Balance Sheet
31 December 2021

	Notes	Unrestricted fund £	Restricted fund £	31.12.21 Total funds £	31.12.20 Total funds £
FIXED ASSETS					
Tangible assets	8	2,428	-	2,428	2,853
CURRENT ASSETS					
Debtors	9	17,952	-	17,952	60,680
Cash at bank		<u>295,493</u>	<u>67,353</u>	<u>362,846</u>	<u>109,942</u>
		313,445	67,353	380,798	170,622
CREDITORS					
Amounts falling due within one year	10	(7,556)	-	(7,556)	(10,456)
NET CURRENT ASSETS		<u>305,889</u>	<u>67,353</u>	<u>373,242</u>	<u>160,166</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>308,317</u>	<u>67,353</u>	<u>375,670</u>	<u>163,019</u>
NET ASSETS		<u>308,317</u>	<u>67,353</u>	<u>375,670</u>	<u>163,019</u>
FUNDS	11				
Unrestricted funds				308,317	163,019
Restricted funds				<u>67,353</u>	<u>-</u>
TOTAL FUNDS				<u>375,670</u>	<u>163,019</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 14/04/2022 and were signed on its behalf by:


.....
M Beem - Trustee

The notes form part of these financial statements

Institute for Sustainable Philanthropy

Cash Flow Statement
for the Year Ended 31 December 2021

	Notes	31.12.21 £	31.12.20 £
Cash flows from operating activities			
Cash generated from operations	1	<u>253,606</u>	<u>88,534</u>
Net cash provided by operating activities		<u>253,606</u>	<u>88,534</u>
 Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(702)</u>	<u>(3,805)</u>
Net cash used in investing activities		<u>(702)</u>	<u>(3,805)</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		252,904	84,729
Cash and cash equivalents at the beginning of the reporting period		<u>109,942</u>	<u>25,213</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>362,846</u></u>	<u><u>109,942</u></u>

The notes form part of these financial statements

Institute for Sustainable Philanthropy

Notes to the Cash Flow Statement
for the Year Ended 31 December 2021

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

	31.12.21 £	31.12.20 £
Net income for the reporting period (as per the Statement of Financial Activities)	212,651	137,806
Adjustments for:		
Depreciation charges	1,127	952
Decrease/(increase) in debtors	42,728	(60,680)
(Decrease)/increase in creditors	<u>(2,900)</u>	<u>10,456</u>
Net cash provided by operations	<u><u>253,606</u></u>	<u><u>88,534</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank	<u>109,942</u>	<u>252,904</u>	<u>362,846</u>
	<u>109,942</u>	<u>252,904</u>	<u>362,846</u>
Total	<u><u>109,942</u></u>	<u><u>252,904</u></u>	<u><u>362,846</u></u>

Institute for Sustainable Philanthropy

Notes to the Financial Statements **for the Year Ended 31 December 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2011. The financial statements have been prepared under the historical cost convention.

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 25% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Institute for Sustainable Philanthropy

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. DONATIONS AND LEGACIES

	31.12.21	31.12.20
	£	£
Donations	193,662	24,198
Grants received	<u>-</u>	<u>14,701</u>
	<u>193,662</u>	<u>38,899</u>

3. INCOME FROM CHARITABLE ACTIVITIES

		31.12.21	31.12.20
	Activity	£	£
Scientific research	Scientific research	83,362	139,127
Education and training	Education and training	<u>256,118</u>	<u>243,377</u>
		<u>339,480</u>	<u>382,504</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Scientific research	22,385	-	22,385
Education and training	<u>199,096</u>	<u>1,127</u>	<u>200,223</u>
	<u>221,481</u>	<u>1,127</u>	<u>222,608</u>

5. SUPPORT COSTS

	Finance £	Other £	Governance costs £	Totals £
Other resources expended	205	95,212	2,466	97,883
Education and training	<u>-</u>	<u>1,127</u>	<u>-</u>	<u>1,127</u>
	<u>205</u>	<u>96,339</u>	<u>2,466</u>	<u>99,010</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Institute for Sustainable Philanthropy

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

7. STAFF COSTS

	31.12.21	31.12.20
	£	£
Wages and salaries	210,169	183,054
Social security costs	18,388	14,693
Other pension costs	<u>2,922</u>	<u>2,965</u>
	<u>231,479</u>	<u>200,712</u>

The average monthly number of employees during the year was as follows:

	31.12.21	31.12.20
Number of employees	<u>7</u>	<u>7</u>

During the year two employees received total employee benefits (excluding employer pension costs) of between £60,000 and £70,000 (2020: two employees £60,000 to £70,000).

8. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 January 2021	3,805
Additions	<u>702</u>
At 31 December 2021	<u>4,507</u>
DEPRECIATION	
At 1 January 2021	952
Charge for year	<u>1,127</u>
At 31 December 2021	<u>2,079</u>
NET BOOK VALUE	
At 31 December 2021	<u>2,428</u>
At 31 December 2020	<u>2,853</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade debtors	16,546	56,135
Other debtors	1,406	-
Prepayments	<u>-</u>	<u>4,545</u>
	<u>17,952</u>	<u>60,680</u>

Institute for Sustainable Philanthropy

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade creditors	419	1,212
Other creditors	<u>7,137</u>	<u>9,244</u>
	<u><u>7,556</u></u>	<u><u>10,456</u></u>

11. MOVEMENT IN FUNDS

	At 1.1.21	Net movement in funds	At 31.12.21
	£	£	£
Unrestricted funds			
General fund	163,019	145,298	308,317
Restricted funds			
Restricted Fund	-	67,353	67,353
	<u>163,019</u>	<u>212,651</u>	<u>375,670</u>
TOTAL FUNDS	<u><u>163,019</u></u>	<u><u>212,651</u></u>	<u><u>375,670</u></u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	465,789	(320,491)	145,298
Restricted funds			
Restricted Fund	67,353	-	67,353
	<u>533,142</u>	<u>(320,491)</u>	<u>212,651</u>
TOTAL FUNDS	<u><u>533,142</u></u>	<u><u>(320,491)</u></u>	<u><u>212,651</u></u>

Comparatives for movement in funds

	At 1.1.20	Net movement in funds	At 31.12.20
	£	£	£
Unrestricted funds			
General fund	25,213	137,806	163,019
	<u>25,213</u>	<u>137,806</u>	<u>163,019</u>
TOTAL FUNDS	<u><u>25,213</u></u>	<u><u>137,806</u></u>	<u><u>163,019</u></u>

Institute for Sustainable Philanthropy

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

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	421,403	(283,597)	137,806
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>421,403</u>	<u>(283,597)</u>	<u>137,806</u>

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

	At 1.1.20 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	25,213	283,104	308,317
Restricted funds			
Restricted Fund	-	67,353	67,353
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>25,213</u>	<u>350,457</u>	<u>375,670</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	887,192	(604,088)	283,104
Restricted funds			
Restricted Fund	67,353	-	67,353
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>954,545</u>	<u>(604,088)</u>	<u>350,457</u>

Institute for Sustainable Philanthropy

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.

Institute for Sustainable Philanthropy

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

	31.12.21 £	31.12.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	193,662	24,198
Grants received	<u>-</u>	<u>14,701</u>
	193,662	38,899
Charitable activities		
Education and training	256,118	243,377
Scientific research	<u>83,362</u>	<u>139,127</u>
	<u>339,480</u>	<u>382,504</u>
Total incoming resources	533,142	421,403
EXPENDITURE		
Charitable activities		
Wages	134,807	131,169
Social security	10,425	11,065
Pensions	2,659	2,765
Advertising	2,825	1,204
Travelling	3,205	2,272
Computer expenses	8,532	6,743
Consulting fees	18,658	21,022
Service fee	34,043	7,478
Training projects	<u>6,327</u>	<u>26,242</u>
	221,481	209,960
Support costs		
Finance		
Bank charges	205	175
Other		
Wages	75,362	51,885
Social security	7,963	3,628
Pensions	263	200
Insurance	767	614
Light and heat	142	93
Telephone	-	154
Postage and stationery	912	1,630
Sundries	3,693	1,967
Rent	6,110	7,281
Computer equipment	<u>1,127</u>	<u>952</u>
	96,339	68,404
Governance costs		
Accountancy fees	2,466	2,976
Carried forward	2,466	2,976

This page does not form part of the statutory financial statements

Institute for Sustainable Philanthropy

Detailed Statement of Financial Activities
for the Year Ended 31 December 2021

	31.12.21 £	31.12.20 £
Governance costs		
Brought forward	2,466	2,976
Professional fees	-	2,082
	<u>2,466</u>	<u>5,058</u>
Total resources expended	<u>320,491</u>	<u>283,597</u>
Net income	<u>212,651</u>	<u>137,806</u>