

REGISTERED CHARITY NUMBER: 1181003

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 December 2022
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 2022

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Institute for Sustainable Philanthropy

Report of the Trustees for the Year Ended 31 December 2022

The trustees present their report with the financial statements of the charity for the year ended 31 December 2022. 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 2022 we presented (digitally and face-to-face) at conferences based in the UK, USA, Ireland, Norway, Austria 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 2022

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Our activities group into three broad headings

1. Scientific Research and Publications

In 2022 we published three landmark reports

Relationship Fundraising 3.0: A Review, Assessment & Experimental Results
Loyalty Meets Philanthropic Psychology: A New Approach To Supporter Retention
What Makes Fundraisers Tick? A Study of Identity, Motivation and Wellbeing

We also signed a contract for the delivery of the third edition of our Fundraising: Principles and Practice textbook with Wiley. The new edition is planned to be delivered in September 2023.

2. Educational Programming

In 2022 we had the following impact:

- 315 individuals enrolled in our entry level fundraising class - the Fundraising Standard.
- 1261 individuals participated in our online webinars
- 143 individuals participated in our Certificate in Philanthropic Psychology or Certificate in Fundraising Copywriting (78 = Phil Psych and 65 = Copywriting).
- 22 individuals attended our Certificate in Legacy Fundraising or the Bequest Fundraising Standard (our US variant).
- 1000 people attended our speaking engagements for third parties such as the Association of Fundraising Professionals
- 11 students completed the Diploma in Fundraising Management we run for Charities Institute Ireland (CII).
- 768 individuals downloaded one of our reports from our website or the website of a report "launch" partner.

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 FOCUS, USA for UNHCR, World Vision New Zealand, World Vision UK, RSPCA NSW, RSPCS Queensland, Alzheimer's Society and Mare Curie. 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.

As an example we worked with World Vision New Zealand to develop a "dictionary" of donor identities for use in their communications. We also explored the use of encouragement sentences, where donors would write a sentence to encourage others (e.g. other donors or organizational team members). We were then able to explore the impact of writing such sentences on giving and supporter wellbeing. Our work with Greepeace (Spain) tells us that the more that people write, the greater the wellbeing they experience.

We also deepened our understanding of donor retention and loyalty, working with clients such as RSPCA NSW, Corus and the Alzheimer's Society) to explore the drivers of future giving intentions and actual future behaviour (continuing support, upgrading support, increasing gift amount). We were able to build models with greater explanatory power than conventional models now widely used in the sector that are based on satisfaction, commitment and trust.

Institute for Sustainable Philanthropy

Report of the Trustees for the Year Ended 31 December 2022

We continue to coach clients through webinars and in-house training to maximize the value from their learning and further penetrate ideas from philanthropic psychology into their work.

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 2022, based on the 2021 financial report. This target for cash reserves was met and exceeded, making it possible to invest in additional members of our team. We recruited a new administrator and data analyst in calendar year 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

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

Institute for Sustainable Philanthropy

Report of the Trustees
for the Year Ended 31 December 2022

REFERENCE AND ADMINISTRATIVE DETAILS

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 ... 14/03/2023 ... and signed on its behalf by:



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 2022.

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 the Institute of Chartered Accountants in England and Wales 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: 15 March 2023

Institute for Sustainable Philanthropy

Statement of Financial Activities
for the Year Ended 31 December 2022

	Notes	Unrestricted fund £	Restricted fund £	31.12.22 Total funds £	31.12.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	102,746	-	102,746	193,662
Charitable activities	3				
Scientific research		61,199	-	61,199	83,362
Education and training		269,820	-	269,820	256,118
Total		<u>433,765</u>	<u>-</u>	<u>433,765</u>	<u>533,142</u>
EXPENDITURE ON					
Charitable activities	4				
Scientific research		33,617	-	33,617	22,385
Education and training		179,561	33,677	213,238	200,223
Other		<u>99,364</u>	<u>-</u>	<u>99,364</u>	<u>97,883</u>
Total		<u>312,542</u>	<u>33,677</u>	<u>346,219</u>	<u>320,491</u>
NET INCOME/(EXPENDITURE)		121,223	(33,677)	87,546	212,651
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>308,317</u>	<u>67,353</u>	<u>375,670</u>	<u>163,019</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>429,540</u></u>	<u><u>33,676</u></u>	<u><u>463,216</u></u>	<u><u>375,670</u></u>

The notes form part of these financial statements

Institute for Sustainable Philanthropy

Balance Sheet
31 December 2022

	Notes	Unrestricted fund £	Restricted fund £	31.12.22 Total funds £	31.12.21 Total funds £
FIXED ASSETS					
Tangible assets	8	1,301	-	1,301	2,428
CURRENT ASSETS					
Debtors	9	69,241	-	69,241	17,952
Cash at bank		<u>373,007</u>	<u>33,676</u>	<u>406,683</u>	<u>362,846</u>
		442,248	33,676	475,924	380,798
CREDITORS					
Amounts falling due within one year	10	(14,009)	-	(14,009)	(7,556)
NET CURRENT ASSETS		<u>428,239</u>	<u>33,676</u>	<u>461,915</u>	<u>373,242</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>429,540</u>	<u>33,676</u>	<u>463,216</u>	<u>375,670</u>
NET ASSETS		<u>429,540</u>	<u>33,676</u>	<u>463,216</u>	<u>375,670</u>
FUNDS	11				
Unrestricted funds				429,540	308,317
Restricted funds				<u>33,676</u>	<u>67,353</u>
TOTAL FUNDS				<u>463,216</u>	<u>375,670</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 14/3/23 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 2022

	Notes	31.12.22 £	31.12.21 £
Cash flows from operating activities			
Cash generated from operations	1	<u>43,837</u>	<u>253,606</u>
Net cash provided by operating activities		<u>43,837</u>	<u>253,606</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>-</u>	<u>(702)</u>
Net cash provided by/(used in) investing activities		<u>-</u>	<u>(702)</u>
		<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		43,837	252,904
Cash and cash equivalents at the beginning of the reporting period		<u>362,846</u>	<u>109,942</u>
Cash and cash equivalents at the end of the reporting period		<u>406,683</u>	<u>362,846</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 2022

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

	31.12.22	31.12.21
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	87,546	212,651
Adjustments for:		
Depreciation charges	1,127	1,127
(Increase)/decrease in debtors	(51,289)	42,728
Increase/(decrease) in creditors	6,453	(2,900)
Net cash provided by operations	<u>43,837</u>	<u>253,606</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.22	Cash flow	At 31.12.22
	£	£	£
Net cash			
Cash at bank	<u>362,846</u>	<u>43,837</u>	<u>406,683</u>
	<u>362,846</u>	<u>43,837</u>	<u>406,683</u>
Total	<u>362,846</u>	<u>43,837</u>	<u>406,683</u>

The notes form part of these financial statements

Institute for Sustainable Philanthropy

Notes to the Financial Statements
for the Year Ended 31 December 2022

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 2022

2. DONATIONS AND LEGACIES

	31.12.22	31.12.21
	£	£
Donations	<u>102,746</u>	<u>193,662</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	31.12.22	31.12.21
	£	£
Scientific research	61,199	83,362
Education and training	<u>269,820</u>	<u>256,118</u>
	<u>331,019</u>	<u>339,480</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Scientific research	33,617
Education and training	<u>213,238</u>
	<u>246,855</u>

5. SUPPORT COSTS

	Finance £	Other £	Governance costs £	Totals £
Other resources expended	<u>344</u>	<u>96,185</u>	<u>2,835</u>	<u>99,364</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

7. STAFF COSTS

	31.12.22	31.12.21
	£	£
Wages and salaries	222,117	210,169
Social security costs	18,954	18,388
Other pension costs	<u>3,574</u>	<u>2,922</u>
	<u>244,645</u>	<u>231,479</u>

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

	31.12.22	31.12.21
	6	7
Number of employees	<u>6</u>	<u>7</u>

Institute for Sustainable Philanthropy

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

7. **STAFF COSTS - continued**

During the year two employees received total employee benefits (excluding employer pension costs) of between £60,000 and £70,000 (2021: two employees £60,000 to £70,000).

8. **TANGIBLE FIXED ASSETS**

	Computer equipment £
COST	
At 1 January 2022 and 31 December 2022	<u>4,507</u>
DEPRECIATION	
At 1 January 2022	2,079
Charge for year	<u>1,127</u>
At 31 December 2022	<u>3,206</u>
NET BOOK VALUE	
At 31 December 2022	<u>1,301</u>
At 31 December 2021	<u>2,428</u>

9. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22 £	31.12.21 £
Trade debtors	67,861	16,546
Other debtors	<u>1,380</u>	<u>1,406</u>
	<u>69,241</u>	<u>17,952</u>

10. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22 £	31.12.21 £
Trade creditors	1,189	419
Other creditors	<u>12,820</u>	<u>7,137</u>
	<u>14,009</u>	<u>7,556</u>

11. **MOVEMENT IN FUNDS**

	At 1.1.22 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	308,317	121,223	429,540
Restricted funds			
Restricted Fund	67,353	(33,677)	33,676
TOTAL FUNDS	<u>375,670</u>	<u>87,546</u>	<u>463,216</u>

Institute for Sustainable Philanthropy

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

11. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	433,765	(312,542)	121,223
Restricted funds			
Restricted Fund	-	(33,677)	(33,677)
TOTAL FUNDS	<u>433,765</u>	<u>(346,219)</u>	<u>87,546</u>

Comparatives for 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
TOTAL FUNDS	<u>163,019</u>	<u>212,651</u>	<u>375,670</u>

Comparative 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
TOTAL FUNDS	<u>533,142</u>	<u>(320,491)</u>	<u>212,651</u>

Institute for Sustainable Philanthropy

Notes to the Financial Statements - continued
for the Year Ended 31 December 2022

11. MOVEMENT IN FUNDS - continued

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

	At 1.1.21 £	Net movement in funds £	At 31.12.22 £
Unrestricted funds			
General fund	163,019	266,521	429,540
Restricted funds			
Restricted Fund	-	33,676	33,676
TOTAL FUNDS	<u>163,019</u>	<u>300,197</u>	<u>463,216</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	899,554	(633,033)	266,521
Restricted funds			
Restricted Fund	67,353	(33,677)	33,676
TOTAL FUNDS	<u>966,907</u>	<u>(666,710)</u>	<u>300,197</u>

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2022.

Institute for Sustainable Philanthropy

Detailed Statement of Financial Activities
for the Year Ended 31 December 2022

	31.12.22 £	31.12.21 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	102,746	193,662
Charitable activities		
Education and training	269,820	256,118
Scientific research	61,199	83,362
	<u>331,019</u>	<u>339,480</u>
Total incoming resources	433,765	533,142
EXPENDITURE		
Charitable activities		
Wages	150,019	134,807
Social security	10,665	10,425
Pensions	3,390	2,659
Advertising	10,120	2,825
Travelling	12,568	3,205
Computer expenses	7,811	8,532
Consulting fees	27,079	18,658
Service fee	18,665	34,043
Training projects	6,538	6,327
	<u>246,855</u>	<u>221,481</u>
Support costs		
Finance		
Bank charges	344	205
Other		
Wages	72,099	75,362
Social security	8,289	7,963
Pensions	185	263
Insurance	500	767
Light and heat	241	142
Postage and stationery	1,214	912
Sundries	6,787	3,693
Rent	5,743	6,110
Computer equipment	1,127	1,127
	<u>96,185</u>	<u>96,339</u>
Governance costs		
Accountancy fees	2,655	2,466
Professional fees	180	-
	<u>2,835</u>	<u>2,466</u>

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 2022

	31.12.22	31.12.21
	<u>£</u>	<u>£</u>
Total resources expended	<u>346,219</u>	<u>320,491</u>
Net income	<u>87,546</u>	<u>212,651</u>

This page does not form part of the statutory financial statements