

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 28 February 2025
for
Beauty Banks
(A Company Limited by Guarantee)

DRAFT

Macario Lewin
Chartered Accountants
Bellarmine House
14 Upper Church Street
Chepstow
Monmouthshire
NP16 5EX

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for the Year Ended 28 February 2025

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Beauty Banks

Report of the Trustees **for the Year Ended 28 February 2025**

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 28 February 2025. 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

We believe that being clean is a basic human right, not a luxury and not a privilege. We exist to make 'hygiene poverty' history while supporting those living in poverty in the UK - those who can't afford to be clean - with personal care and hygiene essentials. This is about dignity, self-confidence and mental wellbeing. This is also about change. We support those in need while lobbying the UK government, as part of a Beauty APPG, to make change happen. Our aim is to support those requiring access to essential toiletries across all regions of the UK.

FINANCIAL REVIEW

Financial position

This is our sixth accounting year. Beauty Banks charity continues to grow and expand its services and reach across the UK. Product donations increased during the period and this meant the charity could reach more people with donations. Fulfilling the charity purposes and attempting to keep pace with demand, means costs have risen out of line with donations. This is being addressed through an ongoing focus on slowing growth and containing costs to ensure the charity can live within its means.

Our income from corporate financial donations increased during this accounting period, primarily via corporate partnerships who continue to support through corporate donations and providing their staff with packing day experiences.

The increase in income within the accounting year to £290,369 (2024: £246,959) is outpaced by an increase in expenditure to £333,188 (2024: £293,949). This leads to a deficit for the year of £42,819 (2024: £46,990 deficit).

Unrestricted reserves of the charity are £26,511 (2024: £69,330). The focus for 2025/26 is to ensure these reserves are built back up to a strong position through cost containment and an increase in fundraising. Since the end of the accounting year we have reduced our salary expense in particular.

In 2024/25, we had some success on trusts and grants fundraising and other more traditional project-specific awards albeit it was smaller and slower than we hoped for.

Whilst we are on track to maintain higher income levels of £250k-£350k in the coming years, we continue to work to stabilise expenditure in line with this and maintain adequate reserves.

We continued to reduce the average cost of each donation sent to partner organisations without any compromise on size or quality. Our engagement work with retailers, cosmetics brands and multinationals was a major factor in enabling us to keep pace with demand. Bulk donations of toiletries and essentials are sent to the three separate warehouse 'hubs'. Two of the warehouse hubs are donated spaces by corporate partners. These warehouses help keep our delivery costs and environmental impact lower as they supply their local markets.

During the accounting period, donations were received by over 1,100 nationwide partnerships with Beauty Banks, spread throughout the United Kingdom.

The average cost of our donations has been further reduced to less than £50 from £90 in 2023/24 due mainly to a larger volume of product donations across the categories we typically supply. However, the increase in volume of donations made has increased our warehouse and logistics costs and as volumes continue to rise we expect these costs to remain high.

Campaigns

We continue to run awareness campaigns. Our Stay Fresh campaign, designed to help children living in poverty stay clean and fresh through the school holidays, received significant press coverage. This helped many children have a healthier and happier summer.

Donations through the campaign were over £20,000 and along with text donations of over £4,500 are more modest forms of fundraising however the campaigns have strong reach. We will continue to increase our donor engagement and to improve repeat donations in the future. Whilst we anticipate that the fundraising landscape remains challenging, we will continue to run bi-annual campaigns.

Going concern

The trustees have carefully reviewed the financial position of the charity and are confident it will continue to meet all of its expenditure obligations.

Beauty Banks

Report of the Trustees **for the Year Ended 28 February 2025**

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.

Volunteers

We have expanded our network of volunteers at the charity in 2024/25. We have continued to develop and train our existing team, offering training opportunities with tangible results.

Volunteer engagement and retention remains high and we have 20 regular warehouse volunteers in addition to over 35 nationwide supporters (our 'beauty bankers') who collect product donations for us within their communities and distribute them on our behalf to partnered charities. We recognise that volunteers are a valuable resource to our charity and help us run the charity efficiently. A volunteer is not an employee and will not have a contract of employment with the charity. Volunteering is defined as unpaid activities undertaken by individuals who freely offer their time and commitment to contribute to our work.

We ensure that systems are in place to enable volunteers to claim out of pocket expenses, including travelling costs. We strive to integrate volunteers into our organisational structure and we welcome volunteers from all social, cultural and ability backgrounds to join us.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

11819908 (England and Wales)

Registered Charity number

1184944

Registered office

Lower Ground Floor
4 Powis Road
Brighton
BN1 3HJ

Trustees

Ms S Hughes
Mrs J L Jones
Mr J P Prayag
Mrs N Watson
Mrs S Rissbrook
Mr R L Fellows
Mr T A G Spiff

Independent Examiner

Martin Macario FCA
Macario Lewin
Chartered Accountants
Bellarmine House
14 Upper Church Street
Chepstow
Monmouthshire
NP16 5EX

Approved by order of the board of trustees on and signed on its behalf by:

.....
Mrs J L Jones - Trustee

**Independent Examiner's Report to the Trustees of
Beauty Banks**

Independent examiner's report to the trustees of Beauty Banks ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 28 February 2025.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 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 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 matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

Martin Macario FCA

Macario Lewin
Chartered Accountants
Bellarmine House
14 Upper Church Street
Chepstow
Monmouthshire
NP16 5EX

Date:

Beauty Banks

Statement of Financial Activities
for the Year Ended 28 February 2025

	Notes	28.2.25 Unrestricted fund £	29.2.24 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		290,252	246,959
Charitable activities			
Grant funding		117	-
Total		<u>290,369</u>	<u>246,959</u>
EXPENDITURE ON			
Raising funds			
Raising donations and legacies	2	170,430	143,916
Other trading activities		162,758	150,033
		<u>333,188</u>	<u>293,949</u>
NET INCOME/(EXPENDITURE)		(42,819)	(46,990)
RECONCILIATION OF FUNDS			
Total funds brought forward		69,330	116,320
TOTAL FUNDS CARRIED FORWARD		<u><u>26,511</u></u>	<u><u>69,330</u></u>

Beauty Banks

Balance Sheet
28 February 2025

	Notes	28.2.25 Unrestricted fund £	29.2.24 Total funds £
CURRENT ASSETS			
Stocks	5	500	500
Debtors	6	3,419	1,997
Cash at bank		50,912	76,755
		<hr/> 54,831	<hr/> 79,252
CREDITORS			
Amounts falling due within one year	7	(28,320)	(9,922)
		<hr/>	<hr/>
NET CURRENT ASSETS		<hr/> 26,511	<hr/> 69,330
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		26,511	69,330
		<hr/>	<hr/>
NET ASSETS		<hr/> 26,511	<hr/> 69,330
		<hr/>	<hr/>
FUNDS	8		
Unrestricted funds		26,511	69,330
		<hr/>	<hr/>
TOTAL FUNDS		<hr/> 26,511	<hr/> 69,330
		<hr/>	<hr/>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2025.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 February 2025 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

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

.....
Ms S Hughes - Trustee

Beauty Banks

Notes to the Financial Statements **for the Year Ended 28 February 2025**

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.

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.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

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

2. RAISING DONATIONS AND LEGACIES

	28.2.25	29.2.24
	£	£
Support costs	170,430	143,916

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 28 February 2025 nor for the year ended 29 February 2024.

Trustees' expenses

	28.2.25	29.2.24
	£	£
Trustees' expenses	767	215

Beauty Banks

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2025**

4. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	246,959
EXPENDITURE ON	
Raising funds	
Raising donations and legacies	143,916
Other trading activities	150,033
	293,949
NET INCOME/(EXPENDITURE)	(46,990)
RECONCILIATION OF FUNDS	
Total funds brought forward	116,320
TOTAL FUNDS CARRIED FORWARD	69,330

5. STOCKS

	28.2.25	29.2.24
	£	£
Stocks	500	500

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.2.25	29.2.24
	£	£
Prepayments and accrued income	3,419	1,997

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.2.25	29.2.24
	£	£
Trade creditors	1,196	2,762
Social security and other taxes	3,542	3,601
Other creditors	768	739
Deferred grant income	19,874	-
Accrued expenses	2,940	2,820
	28,320	9,922

8. MOVEMENT IN FUNDS

	At 1.3.24	Net movement in funds	At
	£	£	28.2.25
Unrestricted funds			£
General fund	69,330	(42,819)	26,511
TOTAL FUNDS	69,330	(42,819)	26,511

Beauty Banks

Notes to the Financial Statements - continued **for the Year Ended 28 February 2025**

8. 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	290,369	(333,188)	(42,819)
TOTAL FUNDS	<u>290,369</u>	<u>(333,188)</u>	<u>(42,819)</u>

Comparatives for movement in funds

	At 1.3.23 £	Net movement in funds £	At 29.2.24 £
Unrestricted funds			
General fund	116,320	(46,990)	69,330
TOTAL FUNDS	<u>116,320</u>	<u>(46,990)</u>	<u>69,330</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	246,959	(293,949)	(46,990)
TOTAL FUNDS	<u>246,959</u>	<u>(293,949)</u>	<u>(46,990)</u>

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

	At 1.3.23 £	Net movement in funds £	At 28.2.25 £
Unrestricted funds			
General fund	116,320	(89,809)	26,511
TOTAL FUNDS	<u>116,320</u>	<u>(89,809)</u>	<u>26,511</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	537,328	(627,137)	(89,809)
TOTAL FUNDS	<u>537,328</u>	<u>(627,137)</u>	<u>(89,809)</u>

Beauty Banks

Notes to the Financial Statements - continued
for the Year Ended 28 February 2025

9. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 28 February 2025.

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Beauty Banks

Detailed Statement of Financial Activities
for the Year Ended 28 February 2025

	28.2.25 £	29.2.24 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	290,252	246,959
Charitable activities		
Grants	117	-
Total incoming resources	290,369	246,959
EXPENDITURE		
Other trading activities		
Opening stock	500	500
Purchases	14,992	38,737
Trustees' expenses	767	215
Commission	221	417
Storage and warehouse costs	72,360	60,399
Transport	74,418	50,265
Closing stock	(500)	(500)
	162,758	150,033
Support costs		
Management		
Wages	128,863	112,174
Social security	9,017	7,287
Pensions	3,839	3,068
Telephone	1,739	2,504
Postage and stationery	1,985	2,208
Sundries	1,379	3,036
Administration services	18,496	5,849
	165,318	136,126
Human resources		
Website and Software licences	2,172	4,970
Governance costs		
Accountancy and legal fees	2,940	2,820
Total resources expended	333,188	293,949
Net expenditure	(42,819)	(46,990)