

Charity numbers: 1194291 & SC051673

Poundland Foundation

Trustees' Report and Financial Statements

For the period ended 30 September 2022



Poundland Foundation

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Poundland Foundation

Reference and administrative details of the CIO, its Trustees and advisers For the period ended 30 September 2022

Trustees	S K Wells, Chair (appointed 29 April 2021) M G Woodruff, Vice Chair, Independent (appointed 29 April 2021) O McLoughlin (appointed 29 April 2021) M D Pym (appointed 29 April 2021) L R Yonish, Independent (appointed 25 May 2021) B Jenner (appointed 29 April 2021) K M R Wright (appointed 25 April 2022) H Walker (appointed 23 May 2022) L J Renshaw (appointed 23 June 2022) M Hanton (appointed 29 April 2021, resigned 25 April 2022) A Holder (appointed 29 April 2021, resigned 23 November 2021) R Wendt (appointed 29 April 2021, resigned 27 March 2023) E Pearson (appointed 29 April 2021, resigned 23 March 2022) S Jackson, Independent (appointed 29 April 2021, resigned 22 February 2023) A Watts (appointed 20 January 2022, resigned 20 June 2022) B Smith (appointed 6 December 2021, resigned 2 August 2022)
Charity registered numbers	1194291 and SC051673
Principal office	Poundland CSC Midland Road Walsall WS1 3TX
Foundation Manager	L Ruff
Independent auditors	Dains Audit Limited 15 Colmore Row Birmingham B3 2BH
Bankers	Lloyds Banking Group (Bank of Scotland) Pendeford Business Park Wobaston Rd Wolverhampton WV9 5HA

Poundland Foundation

Trustees' report

For the period ended 30 September 2022

The Trustees present their annual report together with the audited financial statements of the CIO for the 17-month period ended 30 September 2022.

The Poundland Foundation is a grant-making charity, with ambitions to support families and change lives across the UK. The Foundation make grants to its national charity partners and to smaller organisations and charities through its community grant programme. The Charity operates throughout England and Wales, Scotland and Northern Ireland.

The Foundation was established as a Charitable Incorporated Organisation (CIO) and registered with the Charity Commission in England and Wales on 29 April 2021 (1194291) and in Scotland on 29 March 2022 (SC051673).

Objectives and policies

• Objectives

The objects of the Poundland Foundation are to advance, for the public benefit, such exclusively charitable purposes (according to the law of England and Wales) as the trustees in their absolute discretion see fit from time to time, in particular, but not exclusively, by making grants to other charities, organisations and individuals to:

- 1) advance amateur sport and promote participation in healthy recreation;
- 2) relieve those in need because of youth, age, ill health, disability, financial hardship or other disadvantage;
- 3) promote and protect physical and mental health; and
- 4) preserve and protect the environment.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

• Activities undertaken to achieve objectives

In furthering these objects, the Poundland Foundation's main aim is to make donations to charities and local organisations. Grants are made to three national charity partners: Make A Wish UK, Tommy's and Whizz Kidz. Donations can be applied for via the Kits 4 Kids grant programme which provides grants for new kit to local kids' sports clubs across the UK. Criteria for the Kits 4 Kids programme can be found on the Foundation's website when applications are open.

• Principal funding

The Poundland Foundation is funded by support from Poundland Ltd's colleagues, customers and suppliers. Key income streams for the period included: monthly donation from Poundland Ltd, colleague fundraising, customer donations (via Pennies digital donation box at checkout) and supplier events.

Objectives and policies (continued)

● **Grant-making policies**

The Poundland Foundation has a grant-making policy in place. The number of projects which can be supported is, of necessity, limited by the amount of funds available for distribution in any year. In awarding grants, the trustees will apply the following principles:

- Applications from individuals, not-for-profit organisations, and registered charities, exempt charities and excepted charities from any geographical area within the UK are eligible for consideration.
- The trustees may decide to award unsolicited grants to individuals, not-for-profit organisations, registered charities, exempt charities, and excepted charities.
- The Charity will not normally support applications from large national charities i.e. those with an annual income in excess of £10 million or with assets of £100 million or more or charities dedicated to issues which the trustees already deem to be well funded within the UK and the Republic of Ireland.
- The Charity will willingly work together with other grant-giving organisations to fund initiatives beyond the financial scope of a single organisation.
- The trustees will not normally approve the use of the Charity's funds for purposes which the government has a statutory duty to provide (and would take advice before doing so).
- All grant applications will be subject to initial assessment to ensure that they meet the basic criteria for funding.
- It is the policy of the trustees to monitor all grants made. To this end, conditions may be stipulated appropriate to the work to be carried out and progress may be assessed against agreed targets/milestones.

● **Fundraising policies**

The Poundland Foundation is registered with the Fundraising Regulator. All fundraising activity carried out by the Foundation follows the Fundraising Regulator's Code of Practice, and any relevant standards are adhered to. The Foundation has not received any complaints during this reporting period.

Achievements and performance

• Main achievements of the CIO

During this period, the Poundland Foundation has awarded a total of £1,319,832 in grants to its national charity partners and smaller organisations across the UK.

National Charity Partnerships

The Poundland Foundation launched with a national charity partnership with three children's charities: Make A Wish UK, Tommy's and Whizz Kidz. Each charity supports children, young people and their families, and the Poundland Foundation is proud to support each organisation further its aims and objects with unrestricted funding. We request quarterly updates from each charity partner. Each charity received a total of £351,768 during the period.

Grants from the Poundland Foundation help each charity fulfil their objectives. Below are some examples of activities that grants have supported:

- Make A Wish UK to grant **175** wishes to children with a life-limiting or life-threatening condition.

"A wish creates a smile. Whether it lasts for one minute or five minutes, it's providing wellbeing. When I said 'this is your iPad' to Marieme, you can't imagine how excited she was! It's a simple word, smile, but behind it is a very big thing. I don't think there is any charity or any medicine that can be more beneficial than something that helps someone's wellbeing – it's nourishing and nurturing to the soul. It's a treatment for the soul to make someone smile and feel valued – to know that people care about their wellbeing. Imagine if everybody provided smiles to everyone else, the world would be far better."

- Tommy's to support over **4,000** women and their families via their helpline. The grant helps the helpline to remain available to provide expert information and caring support.

"When I called the Tommy's helpline, the midwife was so caring and supportive. In that time of complete numbness and confusion, I needed both kindness and direction. I am so thankful I had access to that".

- Whizz Kidz to provide **100** wheelchairs and pieces of mobility equipment to young people across the UK.

"You've given her a chance to move, and freedom. It's something I couldn't give her, and that's hard, but at the same time I'm so thankful. The whole dynamic in the house has changed. I don't really like to think about what it would have been like if we weren't able to receive a wheelchair from Whizz-Kidz."

Kits 4 Kids Grant Programme

During the financial period the Poundland Foundation launched two Kits 4 Kids grant rounds. The programme provides grants of up to £750 to sports clubs and organisations across the UK so that they can buy new kit. Within 6 months, the Foundation follows up with each grant recipient to confirm the grant has been spent in line with the terms and conditions. Applications can be made via the Poundland Foundation's website. £249,528 was awarded to 349 local kids' sports clubs across the UK.

Financial review

• Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the CIO has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

• Financial review

The Statement of Financial Activities shows incoming resources for the year of £2,001,909 and resources expended of £1,335,892. The net incoming resources for the period was therefore £666,017.

• Reserves policy

The Poundland Foundation maintains reserves at a level sufficient to meet its objectives. This enables funding to remain available for strategic partnerships which exceed a specific financial period.

The balance sheet shows total funds of £666,017 of which all are unrestricted funds and therefore available for the general purposes of the Charity.

• Financial risk management objectives and policies

The trustees continually review the major risks to which the Poundland Foundation is exposed. Appropriate systems and procedures have been established to manage or mitigate those risks:

- The risk of funding causes/organisations which are not charitable or for the public benefit. The Poundland Foundation has a grant-making policy in place and undertakes due diligence on all potential grantees. All grants are only made once signed grant agreements have been received, which specify the purposes for which a grant is given. The Foundation has appointed independent trustees with extensive charity sector experience. The Poundland Foundation is registered with the Fundraising Regulator.
- The risk to the potential independence of the Poundland Foundation in its dealing with Poundland Ltd, given the necessarily close relationship the Poundland Foundation has with Poundland's colleagues, customers and suppliers. The Poundland Foundation has its own strategy which is separate to that of Poundland Ltd. The Foundation also ensures that there at least two trustees who are not employed by Poundland Ltd on the board to ensure independent decision making, and it takes independent legal advice. A conflicts of interest policy is also in place, which requires trustees who have a conflict of interest to absent themselves from certain decisions. The Vice Chair is independent of Poundland Ltd and leads on matters where the chair might have a conflict of interest.
- The risk relating to access to Poundland Ltd.'s customers, colleagues and suppliers. The Poundland Foundation team provide regular updates to Poundland Ltd, and the Foundation's reserves level includes all contractual obligations the Foundation has over multiple financial periods.

Structure, governance and management

• Constitution

Poundland Foundation is a registered charity, number 1194291 in England and Wales, and number SC051673 in Scotland. The Foundation is established as a Charitable Incorporated Organisation (CIO) and therefore is governed by a Constitution, which sets out the foundation's charitable objectives.

• Methods of appointment or election of Trustees

The governing document requires that the board of trustees comprises between three and twelve trustees.

The governing document currently requires that the board of trustees will be constituted at all times as follows:

- There must be at least three charity trustees. If the number falls below this minimum, the remaining trustee or trustees may act only to call a meeting of the charity trustees or appoint a new charity trustee.
- There must be at least two charity trustees who are each not a Poundland employee.

A minimum of two independent trustees ensure that any potential conflicts of interest can be managed. All conflicts must be declared at the beginning of each trustee meeting.

Trustees who are not employees of Poundland Ltd have relevant experience to add value to the board of trustees and enable the Poundland Foundation to progress in line with its strategic ambitions.

• Policies adopted for the induction and training of Trustees

New trustees are provided with an induction pack including key constitutional documents and relevant Charity Commission guidance. They are offered trustee training to ensure they are fully aware of their legal obligations under charity law, the content of the governing document and the decision-making process for the charity.

• Relationship with Poundland Limited

Poundland Limited have supported the raising of funds by making donations to the charity from the sale of certain products in Poundland Limited and through Poundland Limited colleagues and customer fundraising. Poundland Limited also supported by donating staff time and funds to cover operating costs for this financial period.

Plans for future periods

The Poundland Foundation will continue to fund grant programmes, with a focus on its national charity partnerships, and growing its community grant programme: Kits 4 Kids.

Trustees' report (continued)
For the period ended 30 September 2022

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales and Scotland requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the CIO and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the CIO will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the CIO's transactions and disclose with reasonable accuracy at any time the financial position of the CIO and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

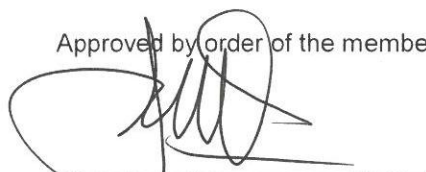
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Dains Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



S K Wells
Chair of Trustees

Date: 14 June 2023

Independent auditors' report to the Members of Poundland Foundation

Opinion

We have audited the financial statements of Poundland Foundation (the 'charity') for the period ended 30 September 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2022 and of its incoming resources and application of resources for the period 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 Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Independent auditors' report to the Members of Poundland Foundation (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditors' report to the Members of Poundland Foundation (continued)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees, and from our knowledge and experience of the Charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the financial reporting legislation, Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of trustees and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Independent auditors' report to the Members of Poundland Foundation (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of trustees as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

14 June 2023

Dains Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

Poundland Foundation

**Statement of financial activities
For the period ended 30 September 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £
Income from:			
Donations and legacies	3	1,776,797	1,776,797
Other trading activities	4	302,830	302,830
Total income		2,079,627	2,079,627
Expenditure on:			
Charitable activities	5	1,413,610	1,413,610
Total expenditure		1,413,610	1,413,610
Net movement in funds		666,017	666,017
Reconciliation of funds:			
Net movement in funds		666,017	666,017
Total funds carried forward	12	666,017	666,017

The notes on pages 15 to 22 form part of these financial statements.

Balance sheet
As at 30 September 2022

	Note	2022 £
Current assets		
Debtors	10	352,504
Cash at bank and in hand		592,339
		<u>944,843</u>
Creditors: amounts falling due within one year	11	(278,826)
Net current assets		<u>666,017</u>
Total net assets		<u><u>666,017</u></u>
Charity funds		
Unrestricted funds	12	666,017
Total funds		<u><u>666,017</u></u>

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



S K Wells
Chair of Trustees

Date: 14 June 2023

The notes on pages 15 to 22 form part of these financial statements.

Poundland Foundation

Statement of cash flows
For the period ended 30 September 2022

	Note	2022 £
Cash flows from operating activities		
Net cash used in operating activities	14	592,339
Change in cash and cash equivalents in the period		592,339
Cash and cash equivalents at the end of the period	15	592,339

The notes on pages 15 to 22 form part of these financial statements

Notes to the financial statements
For the period ended 30 September 2022

1. General information

Poundland Foundation is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission in England and Wales and registered with the Office of the Scottish Charity Regulator in Scotland. The registered numbers and address is given on the Reference and Administrative Details page. The activities of the Charity are set out in detail in the Trustees' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Poundland Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Amounts in these financial statements are presented rounded to the nearest £1.

2.2 Reporting period

The financial statements are presented for a 17-month period, being from the date of registration of the CIO, 29 April 2021, to 30 September 2022. The period was extended beyond a year in order to provide a more detailed and comprehensive review of the Charity's activities and achievements in its infancy phase, and to align the reporting date with the Charity's principal donor, Poundland Limited.

2.3 Going concern

The financial statements have been prepared on a going concern basis. The Foundation holds liquid funds sufficient to support its cash flow requirements over the foreseeable future under all anticipated scenarios. Therefore, the trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

2. Accounting policies (continued)

2.4 Income

All income is recognised once the CIO has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Where the right to receive Gift Aid has been established, the amount receivable is recognised as income in the Statement of financial activities.

Donated services are included as income and expenditure at the price the Charity estimates it would have paid in the open market for an equivalent service or facility that it would have purchased.

Donation and fundraising events income

Income from Poundland Limited in the form of a fixed monthly donation is recognised on a monthly basis in line with the receipt of funds.

Income from the commercial partnership agreement with Poundland Limited in respect of a share of in-store product sales, as agreed between Poundland Limited and third party vendors, is recognised in the period that the retail sales are reported.

Donations arising in-store at point of sale are recognised in the period that the related retail sales take place.

Income from fundraising events managed by third parties is recognised once the event has taken place and the proceeds can be measured.

No account is taken of monies or other assets in the hands of volunteer fundraisers until such monies are banked or the charity has been notified of the funds collected.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the CIO's objectives, as well as any associated support costs.

Grants payable are charged in the period when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the period end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2. Accounting policies (continued)

2.6 Taxation

The CIO is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the CIO is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.9 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the CIO anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.10 Financial instruments

The CIO only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the CIO and which have not been designated for other purposes.

Notes to the financial statements
For the period ended 30 September 2022

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £
Donations		
Poundland donations & in-store fundraising	1,658,723	1,658,723
Donations from online giving platform	40,356	40,356
Donated services	77,718	77,718
	<u>1,776,797</u>	<u>1,776,797</u>

4. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £
Event income	<u>302,830</u>	<u>302,830</u>

Notes to the financial statements
For the period ended 30 September 2022

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £
Grants to partners, charities and other organisations	1,413,610	1,413,610

6. Analysis of expenditure by activities

	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Grants to partners, charities and other organisations	1,319,832	93,778	1,413,610

Analysis of support costs

	Total funds 2022 £
Staff costs	77,718
Professional fees	54
Membership fees	281
Bank charges	725
Governance	15,000
	93,778

Staff costs comprise time spent by Poundland Limited staff on Foundation activities, accounted for as a donated service. The CIO does not have any of its own employees.

Notes to the financial statements
For the period ended 30 September 2022

7. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £
Grants to partners, charities and other organisations	1,319,832	1,319,832

An analysis of grants awarded by programme is given below:

	2022 £
Tommy's	351,768
Make-A-Wish UK	351,768
Whizz-Kidz	351,768
Kits 4 Kids	249,528
Grants made to other charitable organisations	15,000
	<u>1,319,832</u>

A full breakdown of grants is available direct from the Charity.

8. Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £12,500.

9. Trustees' remuneration and expenses

During the period, no Trustees received any remuneration or other benefits.

During the period ended 30 September 2022, no Trustee expenses have been incurred.

Notes to the financial statements
For the period ended 30 September 2022

10. Debtors

	2022 £
Accrued income	352,504

11. Creditors: Amounts falling due within one year

	2022 £
Grants awarded not yet paid	263,826
Accruals	15,000
	<u>278,826</u>

12. Statement of funds

Statement of funds - current period

	Income £	Expenditure £	Balance at 30 September 2022 £
Unrestricted funds			
General funds	2,001,909	(1,335,892)	666,017

13. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2022 £	Total funds 2022 £
Current assets	944,843	944,843
Creditors due within one year	(278,826)	(278,826)
Total	<u>666,017</u>	<u>666,017</u>

Notes to the financial statements
For the period ended 30 September 2022

14. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £
Net income for the period (as per Statement of Financial Activities)	666,017
Adjustments for:	
Increase in debtors	(352,504)
Increase in creditors	278,826
Net cash provided by operating activities	592,339

15. Analysis of cash and cash equivalents

	2022 £
Cash in hand	592,339
Total cash and cash equivalents	592,339

16. Analysis of changes in net debt

	Cash flows £	At 30 September 2022 £
Cash at bank and in hand	592,339	592,339

17. Related party transactions

The CIO has not entered into any related party transaction during the period, nor are there any outstanding balances owing between related parties and the CIO at 30 September 2022.