

Poundland Foundation

Trustees' Report and Financial Statements

For the year ended 30 September 2023



Poundland Foundation

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Poundland Foundation

Reference and administrative details of the CIO, its Trustees and advisers For the year ended 30 September 2023

Trustees	S K Wells, Chair M G Woodruff, Vice Chair, Independent O McLoughlin M D Pym (resigned 18 December 2023) L R Yonish, Independent B Jenner (resigned 1 February 2024) K M R Wright H Walker L J Renshaw R Wendt (resigned 27 March 2023) S Jackson, Independent (resigned 22 February 2023) R Southall (resigned 5 February 2024) C Jones (appointed 5 February 2024) C Claxton (appointed 11 April 2024)
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 year ended 30 September 2023

The Trustees present their annual report together with the audited financial statements of the CIO for the year ended 30 September 2023.

The Poundland Foundation is a grant-making charity, with ambitions to make futures brighter 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: customer donations (via Pennies digital donation box at checkout), colleague fundraising 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 the year to 30 September 2023, the Poundland Foundation has awarded a total of £1,215,171 (17-month period ending 30 September 2022 - £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 from the Poundland Foundation have supported during the period

Make A Wish UK

- £200 can help buy a games console for a child who has long stays alone in hospital.
- £400 can buy a VIP hospitality ticket for a child to watch a Manchester United football match after years of watching them on TV while having treatment.
- £500 can help pay for a tablet for a child who wants to stay in contact with their friends while they're in hospital having treatment.
- £1000 can help buy a specialist bike for a child who wishes to have their own bike so they can play with their siblings.
- £3000 helps pay for a child to have a treehouse holiday – enjoying the outdoors after enduring months of being in isolation for treatment.

Tommy's

- £10 could fund a call with a Tommy's midwife for a new dad who's struggling with his mental health.
- £150 could fund a Tommy's midwife working on the free helpline for one day, speaking to women and birthing people most in need of information and support for their pregnancy.
- £250 could fund a Tommy's researcher for a week who is working on technology that will speed up the discovery of new treatments for miscarriage by 5 years.
- £3,000 could support one of Tommy's researchers for a year to investigate how a condition that causes tissue in the womb to move unexpectedly is associated with pregnancy loss
- £40,000 could fund a research midwife at the Tommy's Rainbow Clinic for an entire year to give specialist support to families who are pregnant again after loss so they can take their baby home.

Achievements and performance (continued)

Whizz Kidz

- £250 will enable a young person to undertake a work placement, to help them develop their skills and pursue their career goals.
- £500 provides repair and maintenance parts for a wheelchair, enabling a young person to regain their independent mobility and continue getting the most out of their equipment.
- £1,300 enables a Therapist to support a child and their family from initial assessment to handover of a piece of equipment.
- £2,500 could provide a manual wheelchair, which is comfortable, well-fitting, and lightweight, meaning they can self-propel without getting too tired, and do not have to rely on someone to push them around.
- £5,000 could provide a powered wheelchair, helping a child to participate fully at school and in social activities and enabling them to keep up with siblings and classmates. Specialist features like seat-risers can enable young people to enjoy life changing independence, helping them reach the toy or book they want from a shelf, or speak to their peers at eye level.

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 local kids' 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. £159,867 was awarded in the year to 247 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 £1,547,580 (2022 - £2,001,909) and resources expended of £1,404,928 (2022 - £1,335,892). The net incoming resources for the period was therefore £142,652 (2022 - £666,017).

• Reserves policy

The Trustees recognise the need to hold a level of unrestricted reserves to secure the Charity's future viability and that these should be maintained to cover, to the extent possible:

- fluctuations in income, including a sudden and unforeseen reduction in, or termination of, fundraising facilitated by Poundland Limited and, if necessary, an orderly wind up;
- unplanned expenditure.

The Trustees of the Charity have agreed to the following levels of unrestricted reserves as being prudent and necessary for the on-going activities of the Charity: 6 months of income.

The balance sheet shows total funds of £808,669 (2022 - £666,017) of which all are unrestricted funds and therefore the Charity is currently compliant with its reserves policy.

• 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 at 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, and take part in an induction session with the Chair and Vice Chair. 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 year.

Plans for future periods

The Poundland Foundation will continue to grow its grant programme by supporting local and national charities with grants to help make futures brighter for communities across the UK. The Foundation will develop a tiered funding structure to support specific projects which meet its objects.

Trustees' report (continued)
For the year ended 30 September 2023

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 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

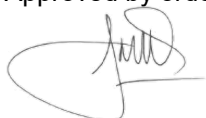
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- 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: 29 April 2024

Independent auditors' report to the Members of Poundland Foundation

Opinion

We have audited the financial statements of Poundland Foundation (the 'charity') for the year ended 30 September 2023 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 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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

29 April 2024

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 year ended 30 September 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and legacies	3	1,275,874	1,275,874	1,776,797
Other trading activities	4	268,208	268,208	302,830
Investments	5	3,498	3,498	-
Total income		1,547,580	1,547,580	2,079,627
Expenditure on:				
Raising funds	6	73,837	73,837	-
Charitable activities	7	1,331,091	1,331,091	1,413,610
Total expenditure		1,404,928	1,404,928	1,413,610
Net movement in funds		142,652	142,652	666,017
Reconciliation of funds:				
Total funds brought forward	13	666,017	666,017	-
Net movement in funds		142,652	142,652	666,017
Total funds carried forward	13	808,669	808,669	666,017

The notes on pages 16 to 25 form part of these financial statements.

Poundland Foundation
Registered number: 1194291

Balance sheet
As at 30 September 2023

	Note	2023 £	2022 £
Current assets			
Debtors	11	217,297	352,504
Cash at bank and in hand		958,857	592,339
		<u>1,176,154</u>	<u>944,843</u>
Creditors: amounts falling due within one year	12	(367,485)	(278,826)
Net current assets		<u>808,669</u>	<u>666,017</u>
Total net assets		<u><u>808,669</u></u>	<u><u>666,017</u></u>
Charity funds			
Unrestricted funds	13	808,669	666,017
Total funds		<u><u>808,669</u></u>	<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: 29 April 2024

The notes on pages 16 to 25 form part of these financial statements.

Poundland Foundation

Statement of cash flows For the year ended 30 September 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	15	366,518	592,339
Change in cash and cash equivalents in the year		366,518	592,339
Cash and cash equivalents at the beginning of the year		592,339	-
Cash and cash equivalents at the end of the year	16	958,857	592,339

The notes on pages 16 to 25 form part of these financial statements

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 comparative financials are presented for a 17-month period, being from the date of registration of the CIO, 29 April 2021, to 30 September 2022. Given that the current reporting period is a year, the amounts presented may not be reliably comparable.

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.

Donation and fundraising events income

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

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.

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.

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.

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 raising funds includes all expenditure incurred by the CIO to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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 year 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 year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2. Accounting policies (continued)

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the CIO; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 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.

2.8 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.

2.9 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.

2.10 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.

2.11 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.

2.12 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.

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the financial statements
For the year ended 30 September 2023

3. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations			
Poundland donations & in-store fundraising	1,222,268	1,222,268	1,658,723
Donations from online giving platform	26,808	26,808	40,356
Donated services	26,798	26,798	77,718
	<u>1,275,874</u>	<u>1,275,874</u>	<u>1,776,797</u>

4. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Event income	268,208	268,208	302,830
	<u>268,208</u>	<u>268,208</u>	<u>302,830</u>

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	3,498	3,498	-
	<u>3,498</u>	<u>3,498</u>	<u>-</u>

Notes to the financial statements
For the year ended 30 September 2023

6. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Fundraising materials and event costs	73,837	73,837	-

7. Analysis of expenditure by activities

	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £
Grants to partners, charities and other organisations	1,215,171	115,920	1,331,091

	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

Notes to the financial statements
For the year ended 30 September 2023

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	78,612	77,718
Professional fees	11,333	54
Membership fees	612	281
Bank charges	1,496	725
IT costs	5,867	-
Governance	18,000	15,000
	115,920	93,778

Staff costs comprise time spent by Poundland Limited employees on Foundation activities, accounted for as a donated service to 28 February 2023 and as recharges from 1 March 2023. The CIO does not have any employees of its own.

Notes to the financial statements
For the year ended 30 September 2023

8. Analysis of grants

	Grants to Institutions 2023 £	Total funds 2023 £
Grants to partners, charities and other organisations	1,215,171	1,215,171

	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:

	2023 £	2022 £
Tommy's	351,768	351,768
Make-A-Wish UK	351,768	351,768
Whizz-Kidz	351,768	351,768
Kits 4 Kids	159,867	249,528
Grants to other charitable organisations	-	15,000
	1,215,171	1,319,832

9. Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £15,000 (2022 - £12,500).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £Nil).

During the year ended 30 September 2023, no Trustee expenses have been incurred (2022 - £Nil)

Notes to the financial statements
For the year ended 30 September 2023

11. Debtors

	2023 £	2022 £
Accrued income	217,297	352,504

12. Creditors: Amounts falling due within one year

	2023 £	2022 £
Grants awarded not yet paid	263,826	263,826
Accruals	103,659	15,000
	367,485	278,826

13. Statement of funds

Statement of funds - current year

	Balance at 1 October 2022 £	Income £	Expenditure £	Balance at 30 September 2023 £
Unrestricted funds				
General funds	666,017	1,547,580	(1,404,928)	808,669

Statement of funds - prior year

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

Notes to the financial statements
For the year ended 30 September 2023

14. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Current assets	1,176,154	1,176,154
Creditors due within one year	(367,485)	(367,485)
Total	808,669	808,669

Analysis of net assets between funds - prior year

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

Notes to the financial statements
For the year ended 30 September 2023

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

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	142,652	666,017
Adjustments for:		
Increase/(decrease) in debtors	135,207	(352,504)
Increase in creditors	88,659	278,826
Net cash provided by operating activities	366,518	592,339

16. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank	958,857	592,339

17. Analysis of changes in net debt

	At 1 October 2022 £	Cash flows £	At 30 September 2023 £
Cash at bank	592,339	366,518	958,857

18. Related party transactions

The CIO has not entered into any related party transactions during the year, nor are there any outstanding balances owing between related parties and the CIO at 30 September 2023.