

FutureDotNow

Annual Trustee Report and financial statements

Financial year ending 30th September 2023

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The trustees present their report and the financial statements of FutureDotNow for the period ended 30 September 2023.

Reference and administrative details

Registered charity name	FutureDotNow	
Charity registration number	1197358	
Registered office	Minerva House Edmund Halley Road Oxford Business Park Oxford OX4 4DQ	
Trustees	Sir Peter Estlin Camilla Drejer Jemma Waters Aidan Hancock	Chair (appointed 22.1.24)
Independent Examiners of Accounts	Goldwins Limited 75 Maygrove Road West Hampstead London NW6 2EG	
Bank	HSBC Business Bank	

Objectives and activities

FutureDotNow was established in October 2019 and operated as a collective, incubated by Nominet, up until 5th January 2022, when we gained charitable status.

The charity's purpose, as set out in its Constitution, **is to advance education for the public benefit in the field of digital skills.**

We believe in a UK with a digitally confident and capable workforce in which everyone is able to do all 20 digital tasks essential for work and prepare for our digital future. Our goal is to inspire and enable businesses to provide working-age adults (starting with their own workforce) with the opportunities they need to get to the digital starting line, benefiting their own prosperity and UK productivity.

FutureDotNow has become a leading authority on the digital skills of the UK's workforce. Our expert understanding of the Essential Digital Skills gap in the UK and relationships with organisations across many sectors allows us to narrate the challenge we face, provide authoritative insight, and put forward practical solutions to close the gap. Our strong links with business leaders, policymakers, and experts from a wide range of organisations place us at the centre of a powerful network. We use this position to coordinate collective action, share learnings and resources, and connect organisations who can support each other. Core to our mission is to influence business action, public policy and individual behaviour, all with the aim of accelerating long-term progress.

Why this matters

Our society and economy cannot digitally transform without a digitally confident and capable workforce. Digital technology doesn't deliver change or guarantee productivity. That comes from good design and great adoption; people using technology effectively. The rapid rise of artificial intelligence (AI) adds urgency. A digitally capable workforce will secure economic opportunities for all and ensure the UK keeps pace with the rest of the world. It will also fortify against cyber threats, reducing risks for individuals and companies alike.

Today, over half of working adults¹ cannot perform all 20 digital tasks² industry and government agree are vital for today's workplace. That's c.22 million adults unable to do things like check a payslip online, set secure passwords, or use digital tools to improve productivity. These skills gaps cut across the workforce, including high earners³ and those with high levels of education⁴.

Most people in the workforce have not been taught these skills in their education, hence the need to explicitly help them build strong digital foundations. This reality has largely been hidden in plain sight, potentially masked by assumptions that adults naturally gain core digital competence through use. Worryingly, against that backdrop, only 4 in 10¹ adults plan to build their digital skills this year.

¹ Consumer Digital Index 2023

² The Government first worked with business in 2018 to define these skills for adults and create the essential digital skill framework.

³ A third people (34%) earning over £75K a year cannot do all 20 tasks. Consumer Digital Index 2023

⁴ Just under half of people (45%) of those with a degree/masters/phd, cannot do all the tasks. Consumer Digital Index 2023

Our strategy

We review our aims, objectives, and activities each year and have regular strategy meetings to ensure we deliver impact. This report sets out what FutureDotNow has achieved in the 22-23 financial year and the benefits this activity has driven for the public benefit. We have referred to the Charity Commission's general guidance on public benefit when reviewing objectives and activities and in planning our future activities.

Our strategy is built on three pillars.

1. We create the impetus for change by creating a compelling case for action.
2. We help industry to take action through collaboration with others and having the tools to make an impact.
3. We build a movement and strong community, creating a space for members to learn from each other, and accelerate impact.

How we are creating the impetus for change.

In October 2022, FutureDotNow prioritised the creation of a roadmap aimed at addressing the digital skills gap among working-age adults. FutureDotNow engaged Brunswick, a strategic advisory firm who provided expertise to elevate our messaging, better define our future role, and shape the Digital Skills Roadmap so that it landed with impact and clarity.

"The UK Workforce Digital Skills Gap: Why Closing It Matters and a Roadmap to Action", was jointly published with the Digital Skills Council in July 2023 and had been part funded by the Department for Science, Innovation and Technology. It was the culmination of what FutureDotNow has seen, learnt and done over the past four years, and detailed the best next steps for government, business and civil society to boost the digital capability and confidence of the UK's workforce and ensure everyone has the Essential Digital Skills needed for work. It has since become the central strategy for FutureDotNow.

FutureDotNow released the roadmap with endorsements from key stakeholders, including the Chartered Institute of Personnel and Development (CIPD), techUK, and the Community Union. Importantly, this strategic vision also facilitated FutureDotNow's ability to secure new financial backing for future phases of work, ensuring its sustainability as a going concern.

FutureDotNow continued to hold flagship events throughout the year to help create the impetus for change. Our Senior Leaders Council met in October 2022, convening c-suite leaders from different industries and disciplines. Their collective insight focused on how we deliver at pace and provided initial impetus on developing a roadmap.

The Executive team had the opportunity to speak at various events throughout the year highlighting the digital skills gap to different audiences such as Chatham House Future of Work Conference, City & Guilds Industrial Strategy Board, Oracle's HR insight panel. Liz Williams MBE, CEO, was asked to give evidence at the House of Lords Communications and Digital Committee as part of its enquiry into digital exclusion and the cost-of-living crisis.

Helping industry to take action on essential digital skills.

FutureDotNow's unique position as a convenor means it can bring government, business and civil society together in ways they wouldn't otherwise connect, crossing sector and competitive boundaries. This is at the heart of how we work, encouraging knowledge sharing and helping to move beyond siloed working to accelerate action and impact.

FutureDotNow works with businesses to ensure they have access to the tools necessary to take action, are aware of best practice and can connect as a community. Our Digital Skills Directory brings together details of digital skills initiatives and providers across the UK, making it easy to identify the right provision for each organisation. Our Digital Skills Playbook helps businesses navigate their digital upskilling journey by offering guidance on what steps to take and relevant best practice, whatever stage they're at on their journey and our new resource bank holds all the FutureDotNow assets for ease of access for our members.

Building a movement and strong community

Central to our mission, we aim to foster a strong collaborative community and build a movement through a variety of channels. We host regular Learn and Solve events, with recent guests including AND Digital, Marks and Spencer and Travis Perkins sharing insights and experiences. This encourages members to learn from each other about what works (and what doesn't) and uses the power of the network to find better solutions, faster. FutureDotNow established an online community space, which facilitates members to build connections and share insights and tools.

In addition, our flagship events, Collective Action in November 2022, Accelerate in March 2023, and the Roadmap launch in July 2023 were key moments that brought together members and other stakeholders to discover new data and collaborate on how to take action.

Performance and achievements

Creating the impetus for change

The UK workforce digital skills gap: Why closing it matters and a roadmap for action distilled the landscape and imperative into three action areas; strategy, delivery and culture, and makes 10 clear and specific recommendations for action by government, business and civil society. The report was produced in FutureDotNow's trademark style, engaging a wide community of stakeholders to shape and inform the content, including Board organisations, Department for Education, Department for Work and Pensions, Department for Science, Innovation and Technology, Cabinet Office, Digital Skills Council, techUK, BetheBusiness, and the Financial Services Skills Commission and contributions from key coalition members including Barclays, Nationwide, Travis Perkins plc and Marks and Spencer.

The publication was launched at the BT Tower in London attended by over 90 leaders from business, government, policy, academia, and civil society. During a series of speeches, panels and conversations, attendees heard from FutureDotNow CEO Liz Williams MBE, Paul Scully MP, Minister for Tech and the Digital Economy, and many experts and thought leaders from industry, the public sector and civil society; including:

- Chintan Patel, Chief Technology Officer Cisco UK&I;
- Helen Balsdon, Interim Chief Nurse Information Officer, NHS England;
- Anthony Impey MBE, CEO, Be the Business;
- Catherine Rutter, Director Group Customer Inclusion, Lloyds Banking Group,
- Gori Yahaya, CEO and Founder UpSkill Digital;
- Anna Collins, Digital Eagle Leader at Barclays UK;
- Elisabeth Costa, Managing Director, The Behavioural Insights Team;
- Kirstie Donnelly MBE, CEO, City & Guilds;
- Dr. Melanie Garson, Cyber Policy Lead, Tony Blair Institute for Global Change.

The launch event and the roadmap publication were the start of FutureDotNow's next chapter. Over the Autumn, FutureDotNow convened industry-led working groups supported by Oliver Wyman with pro-bono resources that explored the recommendations in detail and developed the actions required to achieve them. Use of an Agile sprint model enabled these working groups to move quickly and identify priority outcomes for impact. This 2024 delivery plan was the outcome of this work and is the adopted strategy for FutureDotNow. This detailed plan has assisted in funding opportunities with the Department for Science, Innovation and Technology who awarded a grant to support this activation phase and the first sprint in 2024.

Help industry to take action.

Working in partnership with Lloyds Banking Group, we produced the most detailed view yet of the scale of the workforce skills gap. Published in March 2023, the Essential Digital Skills for Work report brought together Lloyds Banking Group data with analysis and insight from FutureDotNow. It reported on the 20 digital tasks essential for work today and provided specific demographic data on those most likely to be falling behind, to help employers to take targeted action to upskill their people.

In June 2023, we introduced a comprehensive guide offering practical advice to help regional and local authorities develop their employees' Essential Digital Skills and upskill the communities they serve. This initiative was made possible through the Accenture Global grant and drew insights from Greater Manchester Combined Authority's (GMCA) internal upskilling efforts. The guide encompassed valuable resources, including case studies from The Growth Company in Manchester and Dorset Council. Additionally, it provided an Essential Digital Skills learning checklist and boilerplate materials for organising regional roundtable events to engage regional stakeholders. Dorset Council are leading the way with their impact and approach to digital upskilling through their digital champions model, which has built digital confidence and capability on the front line; this was showcased in the guide, as a success story and inspiration for other authorities.

The Accenture Global Grant additionally funded an impact measurement project, in which we developed a Theory of Change, setting out the challenge, our role, what we know to be true, the levers of change and the outcomes we are driving for. It also allowed us to develop a framework for individual organisations to measure impact, with guidance on how to use it and recommendations for FutureDotNow on how to measure our impact as an organisation and to evidence the value of collective action. Following feedback from the project steering committee, (AND Digital, Barclays, DWP, Lloyds Banking Group, Nominet, Weir Group) updates have been made to the Member Impact Measurement toolkit. This updated prototype will improve the user experience, increase engagement and simplify how members measure their impact. The prototype was delivered in November 2023 and piloting of the prototype toolkit with select members will follow in 2024; both Nationwide and Cornwall Council having already expressed interest.

Build a movement and strong community.

Collective Action 2022 was a success with members coming together to share their stories of how they are each taking action on digital skills. The conversation continued on the Community space, where members also shared their barriers to progress and the actions they will take before Accelerate 2023. In March, our Accelerate 2023 event had a dynamic interactive session which helped members connect with the new report data and build relationships with each other. Attendees shared success stories and challenges and used an idea generation technique, which created collective solutions on how to engage stakeholders on the digital skills gap. In addition, six member-showcase stands gave attendees the opportunity to discuss first-hand how an organisation is tackling the challenge and helped cement connections within the community.

The FutureDotNow coalition now has a reach of millions, with over 200 member companies. During the last year, membership has continued to grow with new joiners including Amey, Sky, Johnson Matthey, and Cisco, these organisations are committed to accelerating the digital capability and confidence of their employees, customers, and wider community. Growing membership remains a route to greater impact.

In addition, we have secured a number of new organisations as strategic partners for our new financial year. By contributing £30,000 each, these partners join our small strategic community enabling them to have a material impact on the UK workforce digital skills gap.

Financial review

This is the second year of formal accounts as FutureDotNow was established 5 January 2022 and this report represents our first complete 12-month financial year, which ended 30 September 2023. Due to this, no direct comparison can be made with last year's formal accounts, which covered only 9 months.

Income

FutureDotNow had a total income of £623,000. We received £274,000 unrestricted income from our board members and £50,000 unrestricted income from a Department for Culture, Media and Sport grant and £299,000 in-kind support from our board members and new partners. Net assets carried forward from September 2022 was £442,481 of which £55,520 was restricted income.

The in-kind support covered a secondee from Accenture for 12 months, a project manager from Deloitte for three months, and a small project team with partner oversight for three months from Oliver Wyman.

Expenditure

Our total expenditure for 2022/23 was £836,986 which included the £299,000 in-kind support.

Summary

In summary, given the planned delivery of our programme, we incurred an excess of expenditure over income in 2022/23 of £213,986. As a result, on 30 September 2023, the charity had free and unrestricted funds of £228,495.

Restricted funds must be utilised on the projects agreed with the funders. Where projects span more than one financial accounting year, any restricted funds that have not been fully used in year must be carried forward to be expended in future years. At the end of this 22-23 financial year, we are carrying forward £0 of restricted funds.

Investment policy

Aside from retaining a prudent amount in reserves each year (invested in our instant access bank account) to cover risks and provide working capital, the charity's funds are to be spent in the short term, so there are no funds for long-term investment.

Reserves policy

FutureDotNow's working reserves policy for this financial year was to hold unrestricted reserves to manage any risks, including but not limited to mitigating uncertainties in our funding levels and timing of deposits. The reserves policy is reviewed annually by the Trustees at the beginning of the new financial year and in October 2022, in response to the charity's financial position and the economic climate, the decision was to hold unrestricted reserves to cover the cost to exit at £120,000.

During the financial year 22/23, FutureDotNow's funding model primarily relied on six legal members to support the charity's operations. However, significant efforts were made to create a new governance and funding model. As of the report's writing, FutureDotNow has successfully diversified its funding sources, having secured eight strategic partnerships, two grants and a donation. Notably, the charity achieved the status of a going concern in December 2023.

Plans for future periods.

FutureDotNow's mission remains constant; it remains essential for all working-age adults to be equipped with the digital confidence and capability they need for a prosperous future.

Over the Autumn, three industry-led working groups (Strategy, Employer Action, and Culture) reviewed the 10 Roadmap recommendations to identify priorities for 2024. Collectively, they streamlined the priorities into seven action areas for scale impact. This consolidation culminated in a clear path forward with the creation of the 2024 Delivery Plan.

Cross sector workstreams will focus on seven areas for action to close the workforce digital skills gap. We will see a series of three action-focused sprints across 2024, each will culminate in an event for key parties to come together to reflect and consolidate progress. End-of-sprint events will be an opportunity to galvanise action from others, and secure ongoing support from sprint teams. We will also encourage teams to connect during the sprints to manage interdependencies and ensure overall alignment. Reviewing progress at the end of each sprint will inform the next phase of work through reflection and consolidation with the FutureDotNow community. For example, FutureDotNow's flagship event, Accelerate 2024, now rebranded to the Workforce Digital Skills Summit, will bring coalition members together at the end of the first sprint to profile the impact and momentum and bring others alongside the mission. Each workstream will comprise team members and expert advisors from across the FutureDotNow community and together they are accountable for progress.

Fundraising efforts continue to concentrate on securing sustainable funding so we can continue to deliver our forward strategy and grow the organisation to meet the needs of the mission.

Structure, governance, and management.

FutureDotNow was established as a charitable incorporated organisation (CIO) on 5th January 2022 with its Constitution as its governing document. The CIO is run as an association model with a steering board formed of legal member representatives and trustees, all of whom have voting rights.

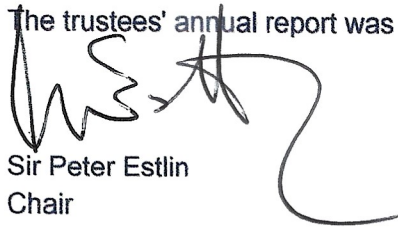
A scheme of delegation is in place and the day-to-day responsibility for the running of the charity sits with the Executive Office, comprising of the Chief Executive Officer and the Chief Operating Officer, however a number of reserved matters are delegated from trustees to the steering board, which includes responsibility for long term objectives, strategy and performance.

Under the requirements of the Constitution, the trustees at FutureDotNow are elected by the board and typically serve for a period of three years after which they can stand for re-election. To prevent all trustee positions from expiring simultaneously, one trustee served a two-year term, which was renewed 5th January 2024 for a three-year period. Our board of trustees, which must consist of at least three and up to twelve members, were initially elected from our existing board members. Future or additional trustees could be appointed to fill any required skills gaps on our board through open advertisement and, where appropriate, by using a recruitment agency with experience in recruiting charity trustees.

In October 2023, a new governance model was approved, and the steering board was dissolved, replaced by a trustee-only board consisting of three trustees with all legal members from the steering board retained, bar one. A fourth trustee, Aidan Hancock, was appointed 21st January 2024 whose experience as Chief Information Officer brings a wealth of knowledge to the board and contributes to mitigating the risk of maintaining quorum.

Newly appointed trustees are provided with a copy of the Constitution and any amendments made to it, and a copy of the latest trustee report and statement of accounts. We also tailor induction to meet their needs, which could include shadowing of senior staff or briefing sessions by the board.

The trustees' annual report was approved on 2nd July 2024 and signed on behalf of the board by:



Sir Peter Estlin
Chair

Dated: 2/7/24

Independent Examiner's Report

I report to the trustees on my examination of the accounts of FutureDotNow for the period ended 30 September 2023.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000, I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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

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

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

Anthony Epton

Anthony Epton BA FCA CTA FCIE
Goldwins
Chartered accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

4 July 2024

FutureDotNow**Statement of financial activities****(Incorporating an income and expenditure account)****For the year ended 30 September 2023**

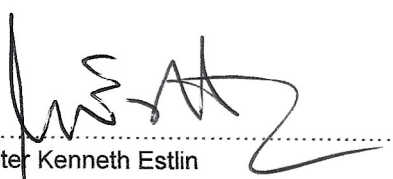
	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income from:					
Grants and donations	2	623,000	-	623,000	741,935
Other income		-	-	-	200
Total income		<u>623,000</u>	<u>-</u>	<u>623,000</u>	<u>742,135</u>
Expenditure on:					
Charitable activities	3	781,466	55,520	836,986	299,654
Total expenditure		<u>781,466</u>	<u>55,520</u>	<u>836,988</u>	<u>299,654</u>
Net (expenditure)/income for the year	4	<u>(158,466)</u>	<u>(55,520)</u>	<u>(213,986)</u>	<u>442,481</u>
Net (expenditure)/income for the year		(158,466)	(55,520)	(213,986)	442,481
Reconciliation of funds:					
Total funds brought forward		<u>386,961</u>	<u>55,520</u>	<u>442,481</u>	-
Total funds carried forward		<u>228,495</u>	<u>-</u>	<u>228,495</u>	<u>442,481</u>

The attached notes form part of these accounts.

FutureDotNow
Balance sheet
As at 30 September 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	6		4,291		5,833
Current assets					
Debtors	7	-		84,817	
Cash at bank		235,099		411,942	
		235,099		496,759	
Current liabilities					
Creditors: Amounts falling due within one year	8	(10,895)		(60,111)	
Net current assets			224,204		436,648
Total net assets			228,495		442,481
Funds	10				
Restricted funds			-		55,520
Unrestricted funds:					
General funds			228,495		386,961
Total funds			228,495		442,481

Approved by the board of trustees on 2nd July 2024
and signed on its behalf by:


.....
Sir Peter Kenneth Estlin
Chair

The attached notes form part of these accounts.

FutureDotNow
Statement of cash flows
For the year ended 30 September 2023

	Note	2023	2023 £	2022	2022 £
Cash flows from operating activities					
Net cash provided by / (used in) operating activities	a		(176,843)		418,741
Cash flows from investing activities:					
Purchase of fixed assets		-		(6,799)	
Net cash provided by / (used in) investing activities			-		(6,799)
Change in cash and cash equivalents in the period			(176,843)		411,942
Cash and cash equivalents at the beginning of the period			411,942	-	
Cash and cash equivalents at the end of the period			<u>235,099</u>		<u>411,942</u>

a) Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net (expenditure) /income for the reporting period (as per the statement of financial activities)	(213,986)	442,481
Depreciation	1,542	966
Interest and dividends from investments	-	-
(Increase)/Decrease in debtors	84,817	(84,817)
(Decrease)/Increase in creditors	(49,216)	60,111
Net cash provided by / (used in) operating activities	<u>(176,843)</u>	<u>418,741</u>

b) Analysis of cash and cash equivalents

	At start of the year £	Cash Flow £	2023 £	At start of the period £	Cash Flow £	2022 £
Cash at bank and in hand	411,942	(183,447)	228,495	-	411,942	411,942
Total cash and cash equivalents	<u>411,942</u>	<u>(183,447)</u>	<u>228,495</u>	<u>-</u>	<u>411,942</u>	<u>411,942</u>

Notes to the financial statements

For the year ended 30 September 2023

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP FRS 102) and the Charities Act 2011.

The charity 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 or note.

Going concern

During the financial year 22/23, FutureDotNow's funding model primarily relied on six legal members to support the charity's operations. However, significant efforts were made to create a new governance and funding model. As of the report's writing, FutureDotNow has successfully diversified its funding sources, having secured eight strategic partnerships, two grants and a donation. Notably, the charity achieved the status of a going concern in December 2023.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1 Accounting policies (continued)

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise of trading costs and the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charitable programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated on their total direct costs and are set out in note 3.

Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

~ Office equipment	20% on cost
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Debtors

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

Cash at bank and in hand

Cash at bank and cash 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.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Pensions

The charity operates a stakeholder defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities.

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

2 Income from donation and Grants

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Donations & Gifts in kind	573,000	-	573,000	502,746	-	502,746
Grants	50,000	-	50,000	136,189	103,000	239,189
	623,000	-	623,000	638,935	103,000	741,935

3 Analysis of expenditure

	2023 Total £	2022 Total £
Staff costs	364,915	143,932
Design	20,406	3,950
Consultancy	110,802	31,308
Professional fees	6,744	1,440
Gift in kind	299,000	94,166
IT and software costs	6,891	2,655
Training	-	1,175
Subscriptions	630	505
Travel	5,755	3,012
Postage and stationery	1,282	1,151
Insurance	3,331	4,599
Entertaining	8,897	4,553
Independent examination	3,000	3,000
Depreciation	1,542	966
Bank charges	90	36
Sundry	3,701	3,206
Total expenditure	836,986	299,654

4 Net (expenditure)/ income for the year

	2023 £	2022 £
This is stated after charging:		
Depreciation	1,542	966
Independent examiner's fee	2,500	2,500

For the year ended 30 September 2023

5 Analysis of staff costs, trustees remuneration and expenses, and the cost of key management personnel

	2023 £	2022 £
Staff costs were as follows:		
Salary and wages	322,589	128,838
Social security costs	30,047	10,096
Employer's contribution to defined contribution pension schemes	12,279	4,998
	364,915	143,932

The number of employees whose annual remuneration was £60,000 or more were:

	2023 No.	2022 No.
£70,000- £79,000	1	-
£80,000- £89,000	1	-

The total employee benefits including pension contributions for the key management personnel in the year were £175,370 (2022: £69,400).

Staff numbers

The average number of employees (head count based on number of staff employed) during the period was as follows:

	2023 No.	2022 No.
Total	7	7

There were no trustees' remuneration or other benefits for the year ended 30 September 2023.
There were no trustees' expenses paid for the year ended 30 September 2023.

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6 Tangible fixed assets

	Office equipment £
Cost	
At the start of the year	
Additions in year	6,799
At the end of the year	<u>6,799</u>
Depreciation	
At the start of the year	966
Charge for the year	1,542
At the end of the year	<u>2,508</u>
Net book value	
At the end of the year	<u><u>4,291</u></u>
At the start of the year	<u><u>5,833</u></u>

7 Debtors

	2023 £	2022 £
Trade Debtors	-	84,817
	<u>-</u>	<u>84,817</u>

8 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	418	47,524
Accruals	3,000	3,000
Taxation and social security	7,477	9,587
	<u>10,895</u>	<u>60,111</u>

9 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fixed assets	4,291	-	4,291
Net current assets	224,204	-	224,204
Net assets	<u>228,495</u>	<u>-</u>	<u>228,495</u>

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9a Analysis of net assets between funds (prior period)

	Unrestricted £	Restricted £	Total £
Fixed assets	5,833	-	5,833
Net current assets	381,128	55,520	436,648
Net assets	386,961	55,520	442,481

10 Movement in funds

	2022 £	Income £	Expenditure £	2023 £
Restricted Funds:				
Accenture Global	38,000	-	(38,000)	-
Service Design	17,520	-	(17,520)	-
Total restricted funds	55,520	-	(55,520)	-
Unrestricted funds:				
General fund	386,961	623,000	(781,466)	228,495
Total unrestricted funds	386,961	623,000	(781,466)	228,495
Total funds	442,481	623,000	(836,986)	228,495

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10a Movement in funds (prior period)

	Transfer At 5 January 2022 £	Income £	Expenditure £	At 30 September 2022
Restricted Funds:				
Accenture Global	-	53,000	(15,000)	38,000
Service Design	-	50,000	(32,480)	17,520
Total restricted funds	-	103,000	(47,480)	55,520
Unrestricted funds:				
General fund	-	639,135	(252,174)	386,961
Total unrestricted funds	-	639,135	(252,174)	386,961
Total funds	-	742,135	(299,654)	442,481

11 Movement in funds (continued)

Restricted funds are for the following purposes:

A portion of the Accenture global grant was restricted to fund a regional project. Recognising combined and local authorities can play a pivotal role in their region, this regions project working with GMCA has explored the how they can have a positive impact on their own workforce but also that of their regions businesses and communities in closing the EDS. The insight gained will be documented as a blueprint for use by other regions in the UK.

The service design grant was restricted to fund two projects, the building a community project designed to increase member collaboration by establishing a strong member community resulting in greater collaboration, engagement, accountability, and action across the membership and to refresh and update the FutureDotNow website. Both projects have delivered phase 1 and move into the new financial year with phase two.

12 Related party transactions

There are no related party transactions to disclose in the year (2022: Nil).