



UNAUDITED ANNUAL REPORT
FOR THE PERIOD ENDED 30 JUNE 2024

THE LOUNGE FOUNDATION
CONTENTS

Contents	Page
Reference and Administrative Details of the Charity	1
Trustees' Report	2
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Statement of Cash Flows	8
Notes to the Financial Statements	9

THE LOUNGE FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY for the Period Ended 30 June 2024

Trustees	D Marsden M Marsden R Southall
Charity number	1203682
Registered office	1 Blythe Gate Blythe Valley Park Shirley Solihull B90 8AD
Bankers	HSBC Bank Plc 130 New St Birmingham B2 4JU
Independent Examiner	Glen Bott FCA 5 Pond Spinney Northampton NN6 0GJ

THE LOUNGE FOUNDATION
TRUSTEES' REPORT
for the Period Ended 30 June 2024

The Trustees present their report together with the financial statements of The Lounge Foundation (the "Foundation") for the period to 30 June 2024. The Trustees confirm that the report and financial statements of the Foundation comply with the Charities Act 2011, the requirements of the Foundation's governing documents and the provisions of the Statement of Recommended Practice ("SORP") "Accounting and Reporting by Charities", applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Lounge Foundation is a charitable incorporated organisation ('CIO'), governed by its constitution. The Foundation was registered as a CIO at the Charity Commission on 22 June 2023.

TRUSTEES

The trustees who served the Foundation during the period were as follows:

D Marsden (appointed 22 June 2023)

M Marsden (appointed 22 June 2023)

R Southall (appointed 22 June 2023)

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

In setting the aims and objectives, together with planning the future activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Statement of public benefit

Under the Charities Act 2011, charities are required to demonstrate that their aims are for the public benefit. The two key principles which must be met in this context are, first, that there must be an identifiable benefit or benefits; and, secondly, that the benefit must be to the public, or a section of the public. Charity trustees must ensure that they carry out their charity's aims for the public benefit, must have regard to the Charity Commission's guidance, and must report on public benefit in their Annual Report.

The Lounge Foundation's Board of Trustees regularly monitors and reviews the success of the organisation in meeting its key objective of educating young people about the importance of checking their breasts. The trustees confirm, in the light of the guidance, that these aims fully meet the public benefit test and that all the activities of the Foundation, described in the Trustees' annual report, are undertaken in pursuit of these aims.

Policies and objects

The objects of the Foundation, according to the Constitution, is to advance such charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time.

More specifically, the aim of the Foundation is to make a genuine impact on the lives and health of women and children.

Grant funding is one way that the Trustees believe that they will be able to make a real difference to their communities. The aim is therefore to provide grants to:

- support women's health;
- support children's health; and
- support women and children on their cancer journeys.

The Trustees will occasionally award grants that fall outside the priorities stated in this policy, if they are satisfied that the grant is an appropriate use of the Charity's funds.

In setting the grant making policy, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

THE LOUNGE FOUNDATION
TRUSTEES' REPORT (continued)
for the Period Ended 30 June 2024

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT (continued)

Grant making policies

When providing grants to other charities and charitable causes, the Foundation has prioritised those charities where there is:

- a connection with the wider communities that the Foundation serves;
- a community in the vicinity of the West Midlands, where the foundation is based; and
- multi-year projects where the Foundation could engage with a charity for three or more years, thus allowing the recipient charities to make substantial and lasting impact.

"We collaborate with individuals, communities, and other organisations to lead projects and grants that drive meaningful change."

ACHIEVEMENTS AND PERFORMANCE

Review of activities

This annual report represents the first period of account for the Foundation and therefore activities in the period to 30 June 2024 have been more focused on establishing the charity and forward planning.

During the period the Foundation received income of £394,541 from Lounge Underwear Limited through its fundraising activities on behalf of The Lounge Foundation. These funds were mainly raised as part of Lounge's "Feel Your Breast" Campaign, a campaign that has grown in popularity in recent years, with 2024 being the first year that this was done in aid of The Lounge Foundation.

From a grant making perspective the period to 30 June 2024 was focused on developing relationships and also putting in place projects to support the Foundation's charitable aims and objectives.

Changemakers

During the period, the Foundation made a grant of £50,000 to Birmingham Children's Hospital. As a Midlands based charity, working with the Birmingham Children's Hospital as a pioneer Changemaker is something that excites us to our core. Changemakers is a network of visionaries, united by a passion to transform the lives of sick children at Birmingham Children's Hospital. We are working closely with the charity to continue on their mission to deliver state-of-the-art, lifesaving equipment and provide inspiring child friendly spaces at the hospital.

The Legacy Project

We're so proud of The Legacy Project and its mission to grant applications to women affected by cancer. With the support of our incredible ambassadors, who are themselves cancer survivors and 'Legends' of Lounge's iconic Feel Your Breast campaign, we will be giving grants to many incredible women to help support them on their journey, from wishes off their 'living lists', to supporting their mental health in relation to cancer. This programme is life-changing for so many women in the UK. The Trustees designated £60,000 of funds to be used for these grants going forward. Applications were received for grants during the period to 30 June 2024 however all grant making activities fell into the following financial year.

Investment policy and performance

The Trust Deed permits the Trustees, in their absolute discretion, or any appointed investment advisors, to invest in any investment, securities or property, as it thinks fit. At 30 June 2024, no money had been invested by the Foundation.

The Foundation has not currently invested any funds. Before any investments take place, an investment policy would be developed and approved by the Trustees.

Financial review

During the period ended 30 June 2024, the Foundation received unrestricted donation income totalling £394,541 and paid charitable grants totalling £50,000.

At 30 June 2024, the Foundation had total unrestricted funds carried forward of £341,695.

THE LOUNGE FOUNDATION
TRUSTEES' REPORT (continued)
for the Period Ended 30 June 2024

ACHIEVEMENTS AND PERFORMANCE (continued)

Reserves

The Foundation does not currently have a reserves policy. As Lounge Underwear Limited provides the Foundation with annual funding, and the Trustees regularly review the balance available to them, including any anticipated future donations to be considered and other costs, a reserves policy is not considered necessary.

PLANS FOR THE FUTURE

Future developments

It is intended that additional funds will be made available by Lounge Underwear Limited to the Foundation annually to enable it to consider and approve further donations to the charities already supported by the Foundation and other charitable organisations as the Trustees see fit.

TRUSTEES' RESPONSIBILITIES

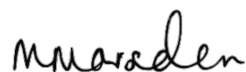
Trustees are responsible for preparing a Trustees' Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the trustees are required to:

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

Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Foundation and taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was reviewed and approved by the Trustees on 22 April 2025 and signed on their behalf by:



M Marsden
Chair of the Trustees

THE LOUNGE FOUNDATION
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE LOUNGE FOUNDATION
for the Period Ended 30 June 2024

I report to the charity trustees on my examination of the accounts of the charity for the period ended 30 June 2024 which are set out on pages 6 to 12.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's 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 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

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales (ICAEW).

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

1. the accounting records were not kept in accordance with section 130 of the Act; or
2. the accounts did not accord with the accounting records; or
3. the accounts did 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.



GLEN BOTT FCA
5 Pond Spinney
Northampton
NN6 0GJ

Date: 22 April 2025

THE LOUNGE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
for the Period Ended 30 June 2024

	Note	2024 £
Income from:		
Donations	2	394,541
Investment activities	3	1,240
Total Income		<u>395,781</u>
Expenditure on:		
Charitable activities - Grants	4	(50,000)
Other expenditure	5	(4,086)
Total Expenditure		<u>(54,086)</u>
Net movement in funds		<u>341,695</u>
Total Unrestricted Funds as at 30 June 2024		<u><u>341,695</u></u>

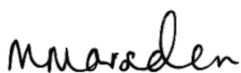
The notes on pages 9 to 12 form part of these financial statements.

THE LOUNGE FOUNDATION

BALANCE SHEET As at 30 June 2024

	Note	2024 £	2024 £
Current assets			
Cash at bank and in hand		<u>345,755</u>	
		345,755	
Current liabilities			
Creditors: amounts falling due within one year	7	<u>(4,060)</u>	
Net current assets			341,695
Net assets			<u>341,695</u>
Charity funds			
Unrestricted funds			341,695
Total funds			<u>341,695</u>

These financial statements were approved by the Trustees and authorised for issue on 22 April 2025, and signed on behalf of the board by:



M Marsden
Chair of the Trustees

Charity number: 1203682

The notes on pages 9 to 12 form part of these financial statements.

THE LOUNGE FOUNDATION
STATEMENT OF CASH FLOWS
for the Period Ended 30 June 2024

	2024 £
Cash flows from operating activities	
Net movement in funds	341,695
Adjustments for:	
Interest receivable	(1,240)
Increase in creditors	4,060
Net cash provided by operating activities	<u>344,515</u>
Cash flows from investing activities	
Interest income	1,240
New cash inflow from investing activities	<u>1,240</u>
Change in cash and cash equivalents in the period	<u>345,755</u>
Cash and cash equivalents at the beginning of the period	<u>-</u>
Cash and cash equivalents at the end of the period	<u><u>345,755</u></u>
Cash and cash equivalents at the end of the period comprise:	
Cash at bank and in hand	<u><u>345,755</u></u>

The notes on pages 9 to 12 form part of these financial statements.

THE LOUNGE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
for the Period Ended 30 June 2024

1. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the periods presented, unless otherwise stated.

a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities," applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and applicable regulations.

The accounts have been prepared under the historical cost convention with items recognised as cost or transaction value unless otherwise stated in the relevant note(s) to the accounts.

The Foundation meets the definition of a public benefit entity as defined by FRS 102.

b) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements.

c) 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 Foundation and which have not been designated for other purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

d) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Foundation has entitlement to the funds, after any performance conditions have been met, the amount can be measured reliably, and it is probable the income will be received.

e) Interest receivable

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

f) Resources expended

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources.

Grants payable to third parties are within the charitable objectives. Grants payable are charged in the period when the offer is made except in those cases where the offer is conditional on a future event. Grants offered subject to conditions which have not been met at the period-end are noted as commitments but not accrued as expenditure.

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

THE LOUNGE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
for the Period Ended 30 June 2024

1. ACCOUNTING POLICIES (continued)

g) 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.

h) 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.

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.

2. INCOME FROM DONATIONS

	2024
	£
Donations	<u>394,541</u>

All income from donations is unrestricted in the current period.

3. INCOME FROM INVESTING ACTIVITIES

	2024
	£
Bank interest receivable	<u>1,240</u>

All income from investing activities is unrestricted in the current period.

4. CHARITABLE ACTIVITIES - GRANTS

The following grants were made to institutions during the period:

		Unrestricted funds
		2024
Recipient	Project name	£
Birmingham Children's Hospital	Changemakers	<u>50,000</u>

No grants were made to individuals during the period.

THE LOUNGE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
for the Period Ended 30 June 2024

5. OTHER EXPENDITURE

	Unrestricted funds 2024 £
Expenditure on Charitable activities	
Legal and professional fees	550
Promotional activities	1,296
Independent examiner fees	1,750
Website and IT costs	490
	<u>4,086</u>

6. TRANSACTIONS WITH TRUSTEES

During the period no Trustees received any remuneration, benefits in kind or reimbursement of expenses.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £
Amounts owed to related party undertakings	2,310
Accruals and deferred income	2,500
	<u>4,810</u>

8. GRANT COMMITMENTS

In accordance with the grant making policies, the Foundation can commit to multi-year grants which are subject to annual confirmation from the Trustees prior to the grants being made.

As at the 30 June 2024, future commitments, that are subject to annual confirmation, are £100,000 including £50,000 that would become payable in the year ended 30 June 2025 and £50,000 that would become payable in the year ended 30 June 2026. These future commitments will be recognised as grants in the year they are confirmed and paid. These amounts have been designated as a separate fund under the Changemakers project as part of the Foundation's ongoing partnership with Birmingham Children's Hospital.

THE LOUNGE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the Period Ended 30 June 2024

9. STATEMENT OF CHARITY FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers £	Carried forward £
Unrestricted funds					
General funds	-	395,781	(4,086)	(210,000)	181,695
<u>Designated funds</u>					
Changemakers	-	-	(50,000)	150,000	100,000
The Legacy Project	-	-	-	60,000	60,000
	<u>-</u>	<u>395,781</u>	<u>(54,836)</u>	<u>-</u>	<u>341,695</u>

Designated funds

Changemakers

During the period, the Foundation made a grant of £50,000 to Birmingham Children's Hospital. As a Midlands based charity, working with the Birmingham Children's Hospital as a pioneer Changemaker is something that excites us to our core. Changemakers is a network of visionaries, united by a passion to transform the lives of sick children at Birmingham Children's Hospital. We are working closely with the charity to continue on their mission to deliver state-of-the-art, lifesaving equipment and provide inspiring child friendly spaces at the hospital.

The Legacy Project

We're so proud of The Legacy Project and its mission to grant applications to women affected by cancer. With the support of our incredible ambassadors, who are themselves cancer survivors and 'Legends' of the Feel Your Breast campaign, we have given grants to many incredible women to help support them on their journey, from wishes off their 'living lists', to supporting their mental health in relation to cancer. This programme is life-changing for so many women in the UK. The Trustees designated £60,000 of funds to be used for these grants going forward. Applications were received for grants during the period to 30 June 2024 however all grant making activities fell into the following financial year.

10. RELATED PARTY TRANSACTIONS

M Marsden and D Marsden, trustees, are also directors of Lounge Underwear Limited. During the period, Lounge Underwear Limited donated £394,541 to the Foundation. As at 30 June 2024, the Foundation owed £2,310 to Lounge Underwear Limited as a result of transactions which were settled on behalf of the Foundation during the period.