
THE 1959 GROUP OF CHARITIES

**REPORT OF THE TRUSTEES AND AUDITED CONSOLIDATED FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2024

THE 1959 GROUP OF CHARITIES

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THE 1959 GROUP OF CHARITIES

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2024

Trustees	P Chapman S Mayhew R A Monteath P Midgley
Charity registered number	249039
Principal office	5 Brayford Square London E1 0SG
Independent auditors	MHA Chartered Accountants and Statutory Auditor MHA House Charter Court Swansea Enterprise Park Swansea SA7 9HS
Solicitors	Filanthropia Consulting Limited Heath House Aldens Lane Godalming Surrey GU8 4AP

THE 1959 GROUP OF CHARITIES

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their report with the consolidated financial statements of the charity for the year ended 31 March 2024. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Legal and administrative information

The 1959 Group of Charities is a registered charity number 249039 established in 1959 and whose latest trust deed is dated 14 July 2011. The members of the Group appoint an Executive Committee in accordance with the Constitution which is responsible for managing the Group.

Recruitment and Appointment of Trustees

Trustees are appointed by existing members of the Board in furtherance of the objectives of the charity, in a number of ways, including personal recommendation and use of voluntary organisations.

Trustees are appointed to the Board via a thorough recruitment process including advertising on trustee and volunteering sites and on LinkedIn and other social media platforms. Prospective trustees are interviewed by key trustees including the Chair and by the CEO.

Objectives and activities

The Group's objects are to promote the efficiency of member charities by facilitating the exchange of information about matters of common interest and encouraging voluntary work for member charities. Through the trading company, the Charity had developed a network of volunteers. These volunteers are provided with training to ensure sales are maximised. The Trustees participate in a wide range of activities in pursuing these objectives including constant contact with charities, their associates, and partners to achieve additional support for their work.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Group's aims and objectives both in the year under review and in planning future activities.

Our Mission

At The 1959 Group of Charities, we remain steadfast in our mission to partner with charities throughout the UK providing both promotion and royalty income to each charity. We offer the most comprehensive range of cards and gifts for all occasions that directly supports the charity sector. Over the past year, we have worked diligently to support our partner charities and aided them in promoting their cause.

This year in addition to the funds generated from our website activity, we directly supported over 120 community projects based in libraries, museums, churches and Tourist Information Centres by attracting people to visit their locations, raising funds and generating volunteer opportunities for the wider population thereby creating methods to reduce social isolation and loneliness, and increasing confidence, social skills and friendship groups.

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Achievements and performance

Key Achievements

This year, we are delighted to share some of the milestones we have reached:

1. Outreach

- We supported over 70 charities through raising awareness of their cause and much needed funds to assist with their service delivery.
- Expanded our outreach efforts by opening 137 Christmas pop-up shops.

2. Fundraising Efforts

- Thanks to the generous support of our customers and donors, we raised £1.8m through the selling of responsibly sourced cards and gifts.
- Employed 100 seasonal staff and over 100 volunteers who raised awareness of our charity partners and raised much needed funds to assist with the delivery of crucial services.
- During the year 2023-2024, we raised over £365,000 to be distributed to both our charity partners and community projects; historically over the past 10 years we have given £22.5m to charities and £2.7m to community projects

3. Collaborations and Partnerships

- We continue to grow our meaningful partnerships with our national charities and are delighted to welcome Terrence Higgins Trust, Versus Arthritis and Hospice UK as licenced partners this year.
- We also continue to work closely with over 40 local charities and 120 community projects throughout Great Britain enabling us to amplify our impact nationally.

4. Organisational Development

- Invested in improvements to documented guides to assist in the operational delivery at shop level.
- Further developed the till system throughout our portfolio of shops to increase efficiencies.
- Streamlined the shop set up process.
- Strengthened our governance framework to ensure greater accountability and transparency.

5. Staff Feedback

- In the end of year staff survey the overall response was of a positive nature:
- 99.5% of staff completing the survey said they felt safe, secure, and supported by The 1959 Group of Charities when working in a pop-up shop location.
- 98% thought our gift range was improved.
- 93.9% thought the new till system was easy to use.
- 95.1% found the onboarding process a positive experience.

Challenges and Lessons Learned

The past year was not without its challenges. The continued increase of the cost of postage stamps, with reduction of a reliable delivery service; cost of living increases; difficulty in attracting sufficient volunteer numbers have all directly impacted us. Despite these, our resilience and commitment have allowed us to adapt and emerge stronger. We learned key lessons that will guide our future endeavours, such as developing our operational systems to include improving warehouse supplier communication and service level agreements; expanding range of goods; and growing our national footprint.

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Looking Ahead

As we move into 2024-2025, we are excited about the opportunities ahead. Our priorities include:

- Expanding our operation to a year-round offering.
- Enhancing community engagement to deepen our impact.
- Improving the efficiency of the warehouse and fulfilment supplier services.
- Expand the range of goods.
- Continue to always aim to source a range of quality, environmentally friendly, ethically sourced products. Our cards and envelopes are recyclable, glitter-free and plastic free. We will also ensure that any of our providers have sustainable credentials too.

Financial Review

Financial Performance

During the year the charity received a total income of £1,942,337 (2023 - £1,871,134). The majority of this income arose from the trading subsidiary of £1,904,782 (2023 - £1,803,655).

Total expenditure for the year was £1,932,050 (2023 - £1,860,271) of which £1,911,030 (2023 - £1,832,623) arose from the trading subsidiary. This left the charity with a surplus of £10,287 (2023 - £10,863).

The charity had unrestricted reserves of £27,293 (2023 - £17,006) of which £12,774 (2023 - £7,132) is held by non-controlling interests.

Going Concern

The Board of Trustees has assessed the financial position of The 1959 Group of Charities and considered its ability to continue as a going concern. This assessment includes a review of current financial resources, projected income and expenditure, and potential risks that may impact the charity's operations.

Despite current challenges, the Trustees believe that the charity has robust plans in place to maintain operations over the foreseeable future. These include prudent financial management, ongoing revenue growth efforts, and the development of reserves.

Based on this assessment, the Board of Trustees has a reasonable expectation that The 1959 Group of Charities will continue to operate as a going concern for the next 12 months and beyond.

This conclusion is supported by regular financial monitoring and contingency planning to mitigate any emerging risks.

Risk Management

In compliance with the SORP, the major risks to which the charity is exposed, as identified by trustees, have been reviewed and systems have been established to manage those risks. These are reviewed at the quarterly board meetings.

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Reserves Policy

The 1959 Group of Charities is committed to maintaining financial sustainability to support our charitable activities and ensure long-term stability.

As a small charity currently without reserves, our priority is to establish and build an appropriate level of unrestricted reserves over time. These reserves will act as a financial safeguard, enabling us to:

- Manage unforeseen financial challenges or shortfalls.
- Ensure the continuity of our business delivery in case of unexpected events.
- Invest in opportunities that support our mission and long-term growth.

Our target is to build reserves equivalent to three months of operating expenditure within the next five years. This target will be reviewed annually in light of financial performance, operational needs, and external circumstances.

To achieve this, we will:

1. Allocate a portion of any surplus income to reserves at the end of each financial year.
2. Actively seek funding opportunities to strengthen our financial position.
3. Monitor our reserves level through regular financial reporting to ensure progress towards our target.

This policy will be reviewed annually by the Trustees to ensure it remains appropriate and aligned with our organisational goals.

The Auditors, MHA, will be proposed for re-appointment at the forthcoming AGM.

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

Robert Montearth
.....

Date: January 29, 2025

THE 1959 GROUP OF CHARITIES

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2024

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 requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their 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 judgments 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 Group will continue in business.

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

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



.....
R A Monteath

Date: January 29, 2025

THE 1959 GROUP OF CHARITIES

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE 1959 GROUP OF CHARITIES

Opinion

We have audited the financial statements of The 1959 Group of Charities (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated 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 Group's and of the parent charity's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources, including its income and expenditure 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.

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 Group 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 Group's or the parent 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE 1959 GROUP OF CHARITIES (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 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
- the parent Charity has not kept sufficient accounting records; or
- the parent Charity 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 Group's and the parent 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 Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

THE 1959 GROUP OF CHARITIES

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE 1959 GROUP OF CHARITIES (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 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:

- Enquiry of management and those charged with governance around actual, potential or suspected litigation, claims, non-compliance with applicable laws and regulations and fraud.
- Review of legal and professional fees for evidence of legal work undertaken or fines/penalties incurred.
- Enquiry of entity staff in compliance functions and external advisors to identify any instances of non-compliance with laws and regulations.
- Reviewing of financial statements disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of significant transactions outside the normal course of business; and
- An assessment of the methodologies used in order to calculate the estimate/provision at the year end for evidence of bias.
- The accounting policy was checked to the financial reporting standards where necessary and confirmed to be appropriate;
- reviewing accounting estimates for bias;
- Discussions amongst the engagement team in relation to how and where fraud might occur in the financial statements and any potential indicators of fraud;
- Discussions with management over any potential or suspected fraud.
- Performing substantive tests of detail over the completeness & existence of income within the financial system;
- Performing substantive analytical review procedures reconciling expected income from corroborating evidence to that which had been recorded in the financial statements to ensure that income was complete.

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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE 1959 GROUP OF CHARITIES
(CONTINUED)**

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. 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.

MHA

Statutory Auditor
Swansea
United Kingdom

Date:

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

THE 1959 GROUP OF CHARITIES

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Donations and legacies	3	35,698	35,698	24,159
Other trading activities		1,904,782	1,904,782	1,803,655
Investments	4	1,857	1,857	43,320
Total income		<u>1,942,337</u>	<u>1,942,337</u>	<u>1,871,134</u>
Expenditure on:				
Raising funds		1,911,030	1,911,030	1,832,623
Charitable activities		21,020	21,020	27,648
Total expenditure		<u>1,932,050</u>	<u>1,932,050</u>	<u>1,860,271</u>
Net movement in funds		<u>10,287</u>	<u>10,287</u>	<u>10,863</u>
Reconciliation of funds:				
Total funds brought forward		17,006	17,006	6,144
Net income attributable to the parent charity		4,645	4,645	3,730
		<u>21,651</u>	<u>21,651</u>	<u>9,874</u>
Net income attributable to non-controlling interests		5,642	5,642	7,132
Total funds carried forward		<u>27,293</u>	<u>27,293</u>	<u>17,006</u>

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**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024**

	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	9		1,206		3,073
			<u>1,206</u>		<u>3,073</u>
Current assets					
Stocks	11	136,067		138,812	
Debtors	12	130,488		51,904	
Cash at bank and in hand		344,129		303,075	
		<u>610,684</u>		<u>493,791</u>	
Creditors: amounts falling due within one year	13	(558,901)		(443,917)	
Net current assets			<u>51,783</u>		<u>49,874</u>
Total assets less current liabilities			<u>52,989</u>		<u>52,947</u>
Creditors: amounts falling due after more than one year	14		(25,696)		(35,941)
Total net assets			<u><u>27,293</u></u>		<u><u>17,006</u></u>
Charity funds					
Unrestricted funds	15		27,293		17,006
Total funds			<u><u>27,293</u></u>		<u><u>17,006</u></u>

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



.....
R A Monteath

Trustee

Date: January 29, 2025

The notes on pages 15 to 29 form part of these financial statements.

THE 1959 GROUP OF CHARITIES

**CHARITY BALANCE SHEET
AS AT 31 MARCH 2024**

	Note	2024 £	2023 £
Fixed assets			
Investments	10	1	1
		<u>1</u>	<u>1</u>
Current assets			
Debtors	12	-	5,401
Cash at bank and in hand		288,973	23,516
		<u>288,973</u>	<u>28,917</u>
Creditors: amounts falling due within one year	13	(287,228)	(26,176)
		<u>1,745</u>	<u>2,741</u>
Net current assets		<u>1,745</u>	<u>2,741</u>
Total assets less current liabilities		<u>1,746</u>	<u>2,742</u>
Net assets excluding pension asset		<u>1,746</u>	<u>2,742</u>
Total net assets		<u><u>1,746</u></u>	<u><u>2,742</u></u>
Charity funds			
Restricted funds	15	-	-
Unrestricted funds	15	1,746	2,742
		<u>1,746</u>	<u>2,742</u>
Total funds		<u><u>1,746</u></u>	<u><u>2,742</u></u>

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

Robert Monteath

.....
R A Monteath

Trustee

Date: January 29, 2025

The notes on pages 15 to 29 form part of these financial statements.

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**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	16	49,442	237,546
Cash flows from investing activities			
Dividends, interests and rents from investments		1,857	988
Proceeds from the sale of intangible assets		-	214,477
Purchase of tangible fixed assets		-	(1,416)
Acquisition of a subsidiary, net of cash acquired		-	(631,446)
Cash acquired from subsidiary		-	652,612
Fixed assets acquired on acquisition		-	(222,443)
Net cash provided by investing activities		1,857	12,772
Cash flows from financing activities			
Debt acquired from subsidiary		-	50,000
Repayment of bank loan		(10,245)	(4,058)
Net cash (used in)/provided by financing activities		(10,245)	45,942
Change in cash and cash equivalents in the year		41,054	296,260
Cash and cash equivalents at the beginning of the year		303,075	6,815
Cash and cash equivalents at the end of the year	17	344,129	303,075

The notes on pages 15 to 29 form part of these financial statements

THE 1959 GROUP OF CHARITIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. General information

The 1959 Group of Charities is a registered charity number 249039, limited by guarantee, registered in England and Wales.

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 presentation currency for the financial statements is the Pound Sterling (£).

Basis of Consolidation

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

2.2 Going concern

Since early 2020 the consequences of the COVID-19 outbreak followed by postal strikes have adversely affected the demand for the subsidiary's primary products. Therefore, its operating results have been negatively impacted.

The subsidiary has made significant changes to the way they operate, management strategy and operational costs since the start of 2022. As at the 31 March 2024 the charity has net current assets of £51,783.

The Trustees believe that, with current levels of trading and arrangements in place with creditor's, the charity continues to be a going concern and the financial statements are prepared on this basis.

The Trustees have assessed expected future cashflows, giving due consideration to all relevant factors affecting the group. They have considered potential impacts, on the group as well as its capital resources and believe that the group has adequate resources in place to continue in operation for at least twelve months from the date of approval of the financial statements.

Consequently, the group continues to adopt the going concern basis in preparing these financial statements.

2.3 Income

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

Trading income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.4 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. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

2.5 Interest receivable

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

2.6 Taxation

The Charity 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 Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	- 20% and 33.3%
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.10 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.

2.11 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.

2.12 Liabilities and provisions

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 Charity 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.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.13 Financial instruments

The company has applied the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instrument Issues" of FRS 102 to its financial statements.

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities, or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

2.14 Pensions

The company operates defined contribution and funded multi-employer defined benefit pension schemes on behalf of certain employees. Contributions payable to the company's pension schemes are charged to profit or loss in the period to which they relate.

2.15 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 Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

2.16 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of Financial Position date and carried forward to future periods. This is measured at the undiscounted salary cost of future holiday entitlement so accrued at the Statement of Financial activities.

2.17 Goodwill

Negative goodwill arises on acquisition if the cost is less than fair value of the net assets acquired. Negative goodwill is fully amortised in the year of acquisition.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.18 Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas for which estimation has been applied are considered to be in calculating depreciation and provisions. Although these areas are subject to judgement, they are not considered to be subject to significant estimation.

3. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £
Donations	30,383	30,383
Gift Aid	5,315	5,315
	<u>35,698</u>	<u>35,698</u>
	Unrestricted funds 2023 £	Total funds 2023 £
Donations	18,724	18,724
Gift Aid	5,315	5,315
Subscriptions	120	120
	<u>24,159</u>	<u>24,159</u>

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NOTES TO THE FINANCIAL STATEMENTS
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4. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Interest receivable	1,857	1,857
	Unrestricted funds 2023 £	Total funds 2023 £
Interest receivable	988	988
Goodwill on acquisition of subsidiary	42,332	42,332
	43,320	43,320

5. Analysis of expenditure by activities

	Support costs 2024 £	Total funds 2024 £	
Raising donations and legacies	21,020	21,020	
	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Raising donations and legacies	19,203	8,445	27,648

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

5. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Raising donations and legacies 2024 £	Total funds 2024 £
	<i>Raising donations and legacies 2023 £</i>	<i>Total funds 2023 £</i>
Wages	19,103	19,103
Sundry expenses	100	100
	<u>19,203</u>	<u>19,203</u>

Analysis of support costs

	Activities 2024 £	Total funds 2024 £
Audit and accountancy fees	21,020	21,020
	<u>8,445</u>	<u>8,445</u>
	<i>Activities 2023 £</i>	<i>Total funds 2023 £</i>
Audit and accountancy fees	8,445	8,445
	<u>8,445</u>	<u>8,445</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

6. Auditors' remuneration

	2024 £	<i>2023</i> £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	16,250	19,000
Fees payable to the Charity's auditor in respect of: Preparation of the consolidated accounts	3,250	-
	<u><u> </u></u>	<u><u> </u></u>

7. Staff costs

	Group 2024 £	<i>Group</i> <i>2023</i> £	Charity 2024 £	<i>Charity</i> <i>2023</i> £
Wages and salaries	506,384	569,165	24,914	19,101
Social security costs	32,662	32,554	-	-
Contribution to defined contribution pension schemes	9,506	9,316	-	-
	<u><u>548,552</u></u>	<u><u>611,035</u></u>	<u><u>24,914</u></u>	<u><u>19,101</u></u>

The average number of persons employed by the Group during the year was as follows:

	Group 2024	<i>Group</i> <i>2023</i>
Employees	31	35
	<u><u> </u></u>	<u><u> </u></u>

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration paid to its key management personnel during the year was £114,774.

8. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, no Trustee expenses have been incurred (2023 - £NIL).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

9. **Tangible fixed assets**
Group

	Office equipment £
Cost or valuation	
At 1 April 2023	30,817
At 31 March 2024	30,817
Depreciation	
At 1 April 2023	27,743
Charge for the year	1,867
At 31 March 2024	29,610
Net book value	
At 31 March 2024	1,207
At 31 March 2023	3,073

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

10. Fixed asset investments

Charity	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2023	1
At 31 March 2024	1

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

10. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Cards for Good Causes Limited	02260866	5 Brayford Square, London, England, E1 0SG	Retail sales	Ordinary	54%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Cards for Good Causes Limited	1,911,898	(1,900,614)	11,284	25,549

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

11. Stocks

	Group 2024 £	<i>Group 2023 £</i>
Stocks	136,067	138,812

12. Debtors

	Group 2024 £	<i>Group 2023 £</i>	Charity 2024 £	<i>Charity 2023 £</i>
Due within one year				
Trade debtors	124,737	38,070	-	-
Other debtors	2,489	7,674	-	5,401
Prepayments and accrued income	3,262	6,160	-	-
	130,488	51,904	-	5,401

13. Creditors: Amounts falling due within one year

	Group 2024 £	<i>Group 2023 £</i>	Charity 2024 £	<i>Charity 2023 £</i>
Bank loans	10,000	10,000	-	-
Trade creditors	207,177	209,256	-	-
Amounts owed to group undertakings	-	-	287,228	26,176
Other taxation and social security	226,215	172,836	-	-
Other creditors	115,509	51,825	-	-
	558,901	443,917	287,228	26,176

14. Creditors: Amounts falling due after more than one year

	Group 2024 £	<i>Group 2023 £</i>
Bank loans	25,696	35,941

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Unrestricted funds					
General Funds	9,874	1,942,337	(1,932,050)	(5,642)	14,519
Non-controlling interest	7,132	-	-	5,642	12,774
	<u>17,006</u>	<u>1,942,337</u>	<u>(1,932,050)</u>	<u>-</u>	<u>27,293</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

15. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2023</i>
	£	£	£	£	£
Unrestricted funds					
General Funds	6,144	1,871,134	(1,860,272)	(7,132)	9,874
Non-controlling interest	-	-	-	7,132	7,132
	<u>6,144</u>	<u>1,871,134</u>	<u>(1,860,272)</u>	<u>-</u>	<u>17,006</u>

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

	Group 2024 £	Group 2023 £
Net income for the period (as per Statement of Financial Activities)	10,287	10,863
Adjustments for:		
Depreciation charges	1,867	6,633
Amortisation charges	-	(21,166)
Dividends, interests and rents from investments	(1,857)	(988)
Loss/(profit) on the sale of fixed assets	-	(325)
Decrease/(increase) in stocks	2,745	(138,812)
Increase in debtors	(78,584)	(51,904)
Increase in creditors	114,984	433,245
Net cash provided by operating activities	49,442	237,546

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

17. Analysis of cash and cash equivalents

	Group 2024 £	<i>Group 2023 £</i>
Cash in hand	344,129	303,075
Total cash and cash equivalents	344,129	303,075

18. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	303,075	41,054	344,129
Debt due within 1 year	(10,000)	-	(10,000)
Debt due after 1 year	(35,941)	10,245	(25,696)
	257,134	51,299	308,433

19. Pension commitments

The group operates a defined contribution scheme with contributions paid in the accounting period charged to the profit and loss account. The pension cost charge represents contributions payable by the group to the fund and amounted to £9,506 (2023 - £9,316).

Defined Benefit Scheme

The charity participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020.

The present value of the provision is £454 (2023: £972).

