**Points of Light Foundation UK (trading as MissionFish UK)**

**Annual Report and Accounts**

30 September 2007

Company Limited by Guarantee
Registration Number
5507404 (England and Wales)

Charity Registration Number
1110538

BUZZACOTT

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## Reference and administrative details of the charity, its trustees and advisers


| **Company secretary** | Sean Milliken (until 6 November 2007)<br>Nick Aldridge (from 6 November 2007) |
| **Staff** | CEO: Nick Aldridge (appointed CEO 24 July 2007)<br>Marketing and Care Manager: Ria Fleming<br>Accountant : Karen McCloud |
| **Business Director** | Lara Nagoski (until 30 June 2007) |
| **Registered office** | Hotham House<br>1 Heron Square<br>Richmond Riverside<br>Surrey<br>TW9 1EJ |
| **Websites** | www.pointsoflight.org.uk<br>www.missionfish.org.uk |
| **Company registration number** | 5507404 (England and Wales) |
| **Charity registration number** | 1110538 |
| **Auditors** | Buzzacott LLP<br>12 New Fetter Lane<br>London<br>EC4A 1AG |

## Reference and administrative details of the charity, its trustees and advisers

| | |
|---|---|
| **Bankers** | Royal Bank of Scotland plc<br>26a The Quadrant<br>Richmond<br>Surrey<br>TW9 1DF |
| **Solicitors** | Bates Wells & Braithwaite<br>2 – 6 Cannon Street<br>London<br>EC4M 6YH |

The trustees present their statutory report together with the accounts of Points of Light Foundation UK for the period from 1 October 2006 to 30 September 2007.

The report has been prepared in accordance with Part VI of the Charities Act 1993 and also constitutes the directors' report for the purposes of the Companies Act 1985.

The accounts have been prepared in accordance with the accounting policies set out in the Principle Accounting Policies section therein and comply with the charitable company's memorandum and articles of association, applicable laws and the requirements of Statement of Recommended Practice on 'Accounting and Reporting by Charities' issued in March 2005.

### Introduction

Points of Light Foundation UK and MissionFish UK

The Charity's declared objects are to advance all purposes which are charitable under the law of England and Wales. Our principal activity to achieve these objects is a partnership with eBay.co.uk under our trading name MissionFish. The partnership delivers the eBay for Charity programme.

### Vision, Mission and Values

Our vision is to help charities get the most out of online commerce. To do this, we create and apply innovative, technology-based solutions that help charities find new, efficient sources of unrestricted income.

We aim to achieve our vision by making it possible for any charity of any size to receive donations from online commerce and to be able to use online commerce to generate unrestricted income. Our vehicle for achieving this vision is the eBay for Charity programme, which we aim to make reliable, efficient, and sustainable.

Our objectives are to:

- Make supporting charities through donations an everyday part of online commerce,
- Help charities and social enterprises to get the most out of the eBay marketplace,
- Actively promote eBay for Charity to those who will benefit,
- Enhance and improve eBay for Charity, making it easy to use and excellent value,
- Develop efficient, easy to use services in partnership with other organizations in the eBay family,
- Generate a sound financial and knowledge base to enable future expansion.

In all our work, we aim to be:

- Trusted by our partners and users,
- Responsive, with excellent customer service,
- Ambitious on behalf of the charities we help,
- Cutting edge, helping charities to embrace new technology.

**Vision, Mission and Values** (continued)

The eBay for Charity programme

Our major strategic aim is to deliver a reliable, efficient and sustainable eBay for Charity programme, by:

- Refining and improving the eBay for Charity programme in the United Kingdom, in partnership with eBay UK;
- Increasing the range of UK charities participating in the programme, and their levels of activity in making use of it,
- Increasing unrestricted income to the charitable sector through the programme.

Our role in the programme is threefold: we vet the charities, process donations and advise charities on how to make the most of the eBay marketplace.

The eBay for Charity platform

eBay sellers specify a charity (registered with the eBay for Charity programme) that they wish to benefit from their donation. We treat these donations as restricted funds, and forward them to the charity specified by the eBay seller.

Through the platform, charities are able to trade in their own right on eBay, either by running a charity shop online, or by holding online fundraising auctions. In these cases, we provide the charities with support and advice to make sure their fundraising is as successful as possible.

**Governance, structure and management**

Structure and governing documents

Points of Light Foundation UK is governed by its memorandum and articles of association (dated 5 July 2005). It is constituted as a company limited by guarantee (Company Registration No. 5507404 (England and Wales) and is a registered charity (Charity Registration No. 1110538).

The sole member of the company is Points of Light Foundation, a United States 501(c)(3) non-profit organisation ('Points of Light Foundation US'). In the event of the charitable company being wound up the member undertakes to contribute an amount not exceeding £1.

The Board of Trustees

The Board of Trustees is responsible for the overall governance of the charitable company. Whilst there is no cap on the total number of Trustees, the minimum number of Trustees is three. Currently, there are seven Trustees. All Trustees are appointed by Points of Light Foundation US. There is no length of service specified for Trustees.

#### **Governance, structure and management** (continued)

##### The Board of Trustees (continued)

The names of the trustees who served during the year are set out as part of the reference and administrative details on page 1 of this annual report and accounts.

Trustees meet quarterly, during which time they oversee current business, and review strategy, operational and financial performance against annual plans and budgets.

Each meeting is focused on a strategic task for the board:

| **Meeting** | **Key tasks** |
|---|---|
| February | Review and approve annual report and accounts |
| May | Begin formulation of strategy and plans |
| August | Finalise strategy and budget |
| November | International relationships and governance issues |

New Trustees receive an induction pack containing a detailed background on the charitable company and its work, to help to enable them to make informed decisions from the outset.

##### Compliance with the Code of Governance

The charitable company recognizes the Code of Governance for the voluntary sector, and the board takes collective responsibility for upholding its principles.

The November board meeting, at which particular emphasis is placed on governance issues, provides a focal point for addressing the requirements of the code. At the meeting, the board reviewed roles within the organization and transferred the office of Company Secretary.

##### Roles and responsibilities

Following the November 2007 board meeting, the charity introduced a board development policy. The policy is designed to promote learning and professional development within the board, so that all board members can make a full contribution to governance.

To help to ensure the effective discharge of Trustees' roles and responsibilities, each has an area of expertise which relates to the charitable company's activities and operating needs. These areas of expertise include:

**Governance, structure and management** (continued)

Roles and responsibilities (continued)

- Leadership and management
- Finance
- Communications and public relations
- Corporate social responsibility
- Fundraising
- Charity law
- IT and online commerce
- Product strategy

The Trustees delegate the exercise of certain powers in connection with the management and administration of the charitable company as set out below. This is controlled by the requirement of regular reporting back to the Trustees, so that all decisions made under delegated authority can be ratified by the Trustees.

Internal controls and delegated authority

Internal controls over all forms of commitment and expenditure continue to be refined to improve efficiency. Processes are in place to ensure that performance is monitored and that appropriate management information is prepared and reviewed regularly by both the Board.

A programme of internal audits is in place, derived from a comprehensive risk assessment. The systems of internal control are designed to provide reasonable, but not absolute assurance against material misstatement or loss.

They include:

- A strategic plan and annual budget approved by the trustees,
- Regular consideration by the trustees of financial results, variances from budgets, nonfinancial performance indicators and benchmarking reviews,
- Delegation of day-to-day management authority and segregation of duties,
- Controls on expenditure decisions by the CEO and individual Trustees,
- Identification and management of risks.

The Trustees have designated two of their number to provide support to the CEO in undertaking staff reviews, setting work plans for the coming year, and recommending annual adjustments to staff remuneration packages if deemed appropriate.

A CEO is employed and is responsible for the day-to-day management of the charitable company's activities and for implementing policies and plans agreed by the Trustees.

**Governance, structure and management** (continued)

Trustees' responsibilities

The Trustees are responsible for preparing the annual report as required by law, and for the preparation of the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. Company law requires the Trustees, as company directors, to prepare financial statements for each financial period which give a true and fair view of the net income or expenditure of the charitable company during the period and of the state of affairs as at the end of the financial period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees have overall responsibility for ensuring that the charitable company has appropriate systems and controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Act 1985. The Trustees are also responsible for safeguarding the assets of the charitable company and for their proper application as required by charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information published on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each Trustee confirms that:

- so far as the Trustee is aware, there is no relevant audit information of which the company's auditors are unaware, and
- The Trustee has taken all steps that he/she ought to have taken as a Trustee in order to make him/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985.

## Governance, structure and management (continued)

### Risk management

The Trustees have introduced a formal risk management process to assess business risks and implement risk management strategies. This has involved identifying the types of risks the charitable company faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks.

As part of this process, the Trustees have reviewed the adequacy of the charitable company's current internal controls relative to the benefits obtained. Procedures have been established for reporting failings immediately to appropriate levels of management and Trustees.

The principal risks and uncertainties facing the charitable company centre on financial, technological and contractual issues, and are recorded and addressed in the Risk Register. The Register is updated regularly by the CEO and received annually by the trustees.

## Achievements and performance

### Review of activities

This period's and the coming year's key objectives and the impact of achievements so far are summarised below. Numbers refer to the period from 1 October 2006 to 31 September 2007 unless otherwise stated.

### Refining and improving the eBay for Charity programme

***Activities to date***

Our last report announced our intention to ensure a consistent exceptional service for charities and donors, and to refine the eBay seller (i.e. donor) registration process to encourage further adoption of the programme by potential donors.

We handled 2,244 customer care services during the period, closing 99% of them. Our surveys indicated an overall satisfaction rating of 3.61 out of 5. An improved interface for donors has been scoped and designed, and is due to roll out in March 2008. This should dramatically improve the experience for donors, and increase take-up rate for the programme accordingly.

By 31 September 2007, 20,149 donors had registered with the programme. 13,376 of these had registered within the preceding 12 months. 305,310 items were listed through the programme, an increase of over 200% on the previous period.

**Achievements and performance** (continued)

Refining and improving the eBay for Charity programme (continued)

***Future plans***

In the coming financial year, we aim to:

- Relaunch the programme with eBay UK, showcasing our improved interface for donors, to build recognition within the charity sector,
- Review and develop the international structure of MissionFish to support operations in new countries,
- Reallocate care responsibilities to enable MissionFish to focus on offering enhanced support and advice to charities, and
- Redesign and relaunch the MissionFish website to provide a better fit with the eBay for Charity programme.

Increasing the range of UK charities participating in the programme

***Activities to date***

882 new charities registered with MissionFish in the financial period, exceeding our target by 10%. A total of 2,194 charities had registered with MissionFish by 31 September 2007. Registration for the programme is offered free of charge to eligible charities.

***Future plans***

In the coming year, we intend to continue marketing and outreach work to raise awareness of the programme across the sector. We intend to:

- Demonstrate and publicise our successes to attract charities to the programme,
- Explore the potential of partnerships with umbrella organizations to reach smaller organizations,
- Raise the profile of the programme within the sector through events and advertising.

Increasing unrestricted income to the charitable sector through the programme

***Activities to date***

A total of £2,242,446 was raised through the programme in the financial period. Of this, just over 80% was raised by charities trading directly, and just under 20% by donations from eBay sellers.

Our last report announced the intention to carry out further outreach work to highlight ways charities can use the programme to raise funds, reach new donors and provide existing donors with a new way of engaging with the charity.

## Achievements and performance (continued)

### Increasing unrestricted income to the charitable sector through the programme (continued)

***Activities to date*** *(continued)*

We have delivered this objective through attendance at numerous charity events and conferences. We have developed a range of new marketing materials to explain more clearly to charities how they can benefit from the programme, and to provide additional support and guidance to their fundraisers.

We also aimed to grow the number of donors and listings who were actively benefiting charities through their work on eBay, and to provide sector-based campaigns for all member charities in a specific charitable area.

In the financial period, donations from eBay sellers grew by more than 60%, from £252,474 to £406,120. We anticipate that improvements to the interface for donors will help to sustain growth in donations.

We have enjoyed some success with sector-based campaigns, and have learned that they need to be tightly focused and clearly owned by the charities involved if they are to generate an acceptable return on investment.

***Future plans***

In the coming year, we intend:

- To work with eBay on renewed marketing of the programme to potential donors,
- To pursue strategic fundraising partnerships with charities who make the programme a high priority fundraising channel,
- Selectively to pursue campaigns involving multiple charities, prioritizing cases where they are committed to working together.

## Financial review

### Results for the year

The Statement of Financial Activities on page 15 shows total incoming resources of £789,224 and total resources expended of £768,562 including £422,596 distributed to charities participating in the eBay for Charity programme.

**Financial review** (continued)

Reserves policy and financial position

### *Reserves policy*

The trustees have formulated a reserves policy for the charitable company. They have determined that charitable company should hold a small amount in financial reserves because:

(i) The charitable company depends for its income on

  a. deductions from donations arriving through eBay, which can fluctuate, and over which the charitable company has limited control, and

  b. a revenue guarantee grant, which is renegotiated on an annual basis within the charitable company's financial year

(ii) Delays in payments from eBay and/or unforeseen costs could arise within the financial year, causing short-term cash flow problems.

The charitable company's ongoing costs are currently underwritten by Points of Light Foundation US, a major charity. Our deed specifies that "the US Organisation shall loan to the UK Organisation a sum equal to all expenses incurred by the UK Organisation with regard to its establishment in the UK and on-going operation." This limits our need to hold significant reserves.

The trustees believe that the minimum level of reserves should be one month's operating costs. Reserves should be built up and maintained at the desired level consistent with the charitable company's overall financial position and its need to maintain and develop its charitable activities.

### *Financial position*

At the balance sheet date, the charitable company held funds of £1,920 which were restricted. These monies have either been raised for, and their use restricted to specific purposes, or they comprise donations subject to donor imposed conditions. Full details of these restricted funds can be found in note 15 to the accounts together with an analysis of movements in the year.

General funds of the charity at 30 September 2007 were in deficit by £143,666.

Supplementing its earned income, the charitable company is currently financed by loans and grants from Points of Light Foundation US. Loans have financed a large part of the charitable company's start up and operating costs to date and has been made on terms which provide that they will not become repayable until Points of Light Foundation UK has sufficient resources to make such a repayment. Grants are now provided by Points of Light Foundation US to cover the ongoing operational deficit from the charity's work. The Trustees are satisfied that this arrangement provides sufficient financial certainty to continue the charitable company's operations in the medium term.

### Employees

The charity aims to be an organisation where employees enjoy a sense of fulfillment and where they feel supported and developed. Employees are kept fully informed about strategy and objectives, as well as day-to-day news and events. All employees are encouraged to give their suggestions and views on performance and strategy.

The charity supports equal opportunities. A policy of recruitment and promotion on the basis of aptitude and ability without discrimination is followed.

The charity is committed to the training, career development and promotion of all employees. An individual's career development is assessed through annual appraisal and supervision. Training programmes are provided to meet any ongoing needs, with the aim of developing employees for both their current and future roles.

### Gifts in kind

The charitable company is grateful to both eBay UK, which has provided office space valued at £45,000 in the financial period, and Points of Light Foundation US, which has provided technical and managerial support valued at £157,503 in the financial period.

### Auditors

Pursuant to Section 386 of the Companies Act 1985, the charitable company has passed a resolution dispensing with the need to appoint auditors annually.

Approved by the trustees and signed on their behalf by:

Trustee

Approved by the trustees on:

### Report of the independent auditors to the member of Points of Light Foundation UK

We have audited the accounts on pages 15 to 25 which have been prepared under the historical cost convention and the accounting policies set out on pages 17 to 18.

This report is made solely to the company's member, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's member 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 company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of trustees and auditors

As described on pages 7 and 8 the trustees, who are also the directors of Points of Light Foundation UK for the purposes of company law are responsible for the preparation of the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the trustees' report is consistent with the accounts, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the trustees' report and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the charitable company's state of affairs as at 30 September 2007 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;

- the financial statements have been properly prepared in accordance with the Companies Act 1985; and

- the information provided in the trustees' report is consistent with the financial statements.

Buzzacott LLP
Chartered Accountants and Registered Auditors
12 New Fetter Lane
London
EC4A 1AG

## **Statement of financial activities** Year to 30 September 2007

| | Notes | Unrestricted funds £ | Restricted funds £ | **2007 Total funds £** | 2006 Total funds £ |
|---|---|---|---|---|---|
| **Income and expenditure** | | | | | |
| **Incoming resources** | | | | | |
| Unrestricted incoming resources from generated funds | | | | | |
| . Voluntary income | 1 | 322,503 | 406,120 | **728,623** | 561,956 |
| Incoming resources from charitable activities | 2 | 60,109 | – | **60,109** | 24,638 |
| Other incoming resources | | 492 | – | **492** | – |
| **Total incoming resources** | | 383,104 | 406,120 | **789,224** | 586,594 |
| **Resources expended** | | | | | |
| Costs of generating funds | | | | | |
| . Costs of generating voluntary income | 3 | 44,273 | – | **44,273** | 33,847 |
| Charitable activities | | | | | |
| . Individual giving | 4 | 275,285 | 422,596 | **697,881** | 631,862 |
| Governance costs | 6 | 26,408 | – | **26,408** | 83,293 |
| **Total resources expended** | | 345,966 | 422,596 | **768,562** | 749,002 |
| **Net incoming (outgoing) resources before transfers – net expenditure** | 7 | 37,138 | (16,476) | **20,662** | (162,408) |
| **Fund balance brought forward** | | (180,804) | 18,396 | **(162,408)** | – |
| **Fund balance carried forward at 30 September 2007** | | (143,666) | 1,920 | **(141,746)** | (162,408) |

There is no difference between the net movement in funds stated above, and the historical cost equivalent.

All of the charity's activities derived from continuing operations during the above financial period.

## **Balance sheet** 30 September 2007

| | Notes | 2007 £ | 2007 £ | 2006 £ | 2006 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 11 | | **1,403** | | 3,109 |
| **Current assets** | | | | | |
| Debtors | 12 | **91,622** | | 37,702 | |
| Cash at bank and in hand | | **156,230** | | 50,980 | |
| | | **247,852** | | 88,682 | |
| **Creditors**: amounts falling due within one year | 13 | **(103,014)** | | (64,243) | |
| **Net current assets** | | | **144,838** | | 24,439 |
| **Total assets less current liabilities** | | | **146,241** | | 27,548 |
| **Creditors:** amounts falling due after one year | 14 | | **(287,987)** | | (189,956) |
| **Total net assets** | | | **(141,746)** | | (162,408) |
| **Represented by:** | | | | | |
| **Funds and reserves** | | | | | |
| ***Income funds:*** | | | | | |
| Restricted funds | 15 | | **1,920** | | 18,396 |
| Unrestricted funds | | | | | |
| . General fund | | | **(143,666)** | | (180,804) |
| | | | **(141,746)** | | (162,408) |

Approved by the trustees
and signed on their behalf by:

Trustee

Approved on:

#### Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1985. Applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these accounts.

#### Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

#### Resources expended and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred and includes attributable VAT which cannot be recovered.

Resources expended comprise the following:

a. The costs of generating funds include the salaries, direct costs and overheads associated with generating donated income, which relate to the costs of publicising the eBay for Charity programme.

b. The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the trustees' report. Such costs include:

   - Payment to charities of amounts received from eBay sellers;
   - Support costs

   Costs are directly attributable to specific activities.

c. Governance costs are the costs associated with the governance arrangements of the charity that relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day to day management of the charity's activities.

#### Gifts in kind

Services and facilities donated to the charity for its own use are included in incoming resources and resources expended at their market value as at the time of the gift.

### Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- Computer and similar equipment — 33.3% per annum based on cost

### Fund accounting

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

### Cash flow

The accounts do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

### Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

### Going concern

Although the charitable company has incurred an accumulated deficit as at 30 September 2007, it is financed by a working capital loan provided by Points of Light Foundation US. As the terms of this loan provide that it will not be repayable until the charitable company has the capacity to make such a repayment, the trustees believe that it is appropriate to prepare the accounts on a going concern basis.

## 1 Voluntary income

| | Unrestricted funds £ | Restricted funds £ | **2007 Total funds £** | 2006 Total funds £ |
|---|---|---|---|---|
| Donations – amounts received from eBay sellers | – | 406,120 | **406,120** | 252,474 |
| Grant received | 120,000 | – | **120,000** | – |
| Gifts in kind (see below) | | | | |
| . Technical and managerial support | 157,503 | – | **157,503** | 264,482 |
| . Accommodation | 45,000 | – | **45,000** | 45,000 |
| | 202,503 | – | **202,503** | 309,482 |
| **Total** | 322,503 | 406,120 | **728,623** | 561,956 |

The charitable company is grateful to both eBay UK, which has provided office space valued at £45,000 in the financial period, and Points of Light Foundation US, which has provided technical and managerial support valued at £157,503 in the financial period.

Corresponding amounts are included within costs of activities in furtherance of the charity's objectives (note 4).

Where charities sell items directly via eBay, under the eBay for Charity scheme, eBay waives its usual listing fees, and refunds them to the charity concerned via Points of Light Foundation UK. As Points of Light Foundation UK is not charged with collecting these donations (made at eBay's discretion), they are not accounted for by Points of Light Foundation UK. Total donations passed on in this way were £85,107 in the period.

## 2 Incoming resources from charitable activities

| | Unrestricted funds £ | Restricted funds £ | **2007 Total funds £** | 2006 Total funds £ |
|---|---|---|---|---|
| Administrative fees | 60,109 | – | **60,109** | 24,638 |

## 3 Cost of generating funds

| | Unrestricted funds £ | Restricted funds £ | **2007 Total funds £** | 2006 Total funds £ |
|---|---|---|---|---|
| Cost of generating voluntary income | | | | |
| . Staff costs | 29,265 | – | **29,265** | 21,880 |
| . Other publicity costs | 15,008 | – | **15,003** | 11,967 |
| | 44,273 | – | **44,273** | 33,847 |

## 4 Cost of activities in furtherance of the charity's objects

| | Unrestricted funds £ | Restricted funds £ | **2007 Total funds £** | 2006 Total funds £ |
|---|---|---|---|---|
| MissionFish UK - eBay for Charity scheme | | | | |
| . Charitable donations | – | 422,596 | **422,596** | 234,078 |
| . Allocation of support costs (note 5) | 275,285 | – | **275,285** | 397,784 |
| | 275,285 | 422,596 | **697,881** | 631,862 |

## 5 Support costs

The support costs and the basis of their allocation were as follows:

| | **Costs £** | **Basis of apportion - ment** |
|---|---|---|
| Staff costs | **50,422** | **Time** |
| Premises costs – in-kind donation from eBay UK | **45,000** | **Direct** |
| Technical and managerial support – in-kind donation from Points of Light Foundation US | **157,503** | **Direct** |
| Other costs | **22,360** | **Direct** |
| | **275,285** | |

## 6 Governance

| | Unrestricted funds £ | Restricted funds £ | **2007 Total funds £** | 2006 Total funds £ |
|---|---|---|---|---|
| Staff costs | 11,340 | – | **11,340** | 9,220 |
| Auditors' remuneration | 7,402 | – | **7,402** | 6,000 |
| Other governance costs | 7,666 | – | **7,666** | 68,072 |
| | 26,408 | – | **26,408** | 83,292 |

## 7 Net incoming resources before transfers

This is stated after charging:

| | Unrestricted funds £ | Restricted funds £ | **2007 Total funds £** | 2006 Total funds £ |
|---|---|---|---|---|
| Staff costs (note 8) | 91,027 | – | **91,027** | 62,676 |
| Auditors' remuneration | | | | |
| . Statutory audit services | 7,402 | – | **7,402** | 6,000 |
| Depreciation | 1,706 | – | **1,706** | 2,061 |

### 8 Employees and staff costs

Staff costs during the year were as follows:

| | 2007 £ | 2006 £ |
|---|---|---|
| Wages and salaries | **78,123** | 56,646 |
| Social security costs | **8,295** | 6,030 |
| Pension costs | **4,609** | – |
| | **91,027** | 62,676 |

The average number of employees during the year, calculated on a full time equivalent basis, analysed by function, was as follows:

| | 2007 number | 2006 number |
|---|---|---|
| Costs of generating funds | **0.75** | 0.75 |
| Charitable activities | | |
| . MissionFish UK – eBay for Charity scheme | **1.50** | 0.50 |
| Governance of the charity | **0.25** | 0.25 |
| | **2.50** | 1.50 |

No employees earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the year.

### 9 Trustees' remuneration

None of the trustees received any remuneration in respect of their services during the period.

Out of pocket expenses totalling £15 were reimbursed to one trustee during the period.

Ms A Rumbold, a trustee, is a partner Bates Wells & Braithwaite, the charitable company's legal advisers. The charity paid £4,133 to Bates Wells & Braithwaite during the period, for legal services provided on an arms-length basis.

### 10 Taxation

Points of Light Foundation UK is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

## 11 Tangible fixed assets

| | Computer equipment £ | **2007 Total £** | 2006 Total £ |
|---|---|---|---|
| **Cost or valuation** | | | |
| At 30 September 2006 | 5,170 | **5,170** | – |
| Additions | – | **–** | 5,170 |
| At 30 September 2007 | 5,170 | **5,170** | 5,170 |
| **Depreciation** | | | |
| At 30 September 2006 | 2,061 | **2,061** | – |
| Charge for year | 1,706 | **1,706** | 2,061 |
| At 30 September 2007 | 3,767 | **3,767** | 2,061 |
| **Net book values** | | | |
| At 30 September 2007 | 1,403 | **1,403** | 3,109 |

## 12 Debtors

| **Due within one year** | **2007 £** | 2006 £ |
|---|---|---|
| Donations from eBay sellers | **8,131** | 18,378 |
| Taxation recoverable | **16,994** | 18,320 |
| Prepayments | **5,605** | – |
| Other debtors | **60,892** | 1,004 |
| | **91,622** | 37,702 |

## 13 Creditors: amounts falling due within one year

| | **2007 £** | 2006 £ |
|---|---|---|
| Expense creditors | **25,991** | 9,886 |
| Donations to charities | **54,327** | 48,357 |
| Accruals | **9,960** | 6,000 |
| Deferred income | **12,736** | – |
| | **103,014** | 64,243 |

## 14 Creditors: amounts falling due after more than one year

| | **2007 £** | 2006 £ |
|---|---|---|
| Loan from Points of Light Foundation US (see note 17) | **287,987** | 189,956 |

| | **2007 £** | 2006 £ |
|---|---|---|
| Amounts fall due as follows: | | |
| . Within one year | **103,014** | 64,243 |
| . Within 2-5 years | **287,987** | 189,956 |

| | | |
|---|---|---|
| | **391,001** | 254,199 |

## 15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

| | At 30 September 2006 £ | Incoming resources £ | Expenditure £ | **At 30 September 2007 £** |
|---|---|---|---|---|
| MissionFish UK – eBay for Charity scheme | 18,396 | 406,120 | 422,596 | **1,920** |

The specific purposes for which the funds are to be applied are as follows:

- MissionFish UK – eBay for Charity scheme

  This fund represents amounts held for onward distribution to UK charities.

## 16 Analysis of net assets between funds

| | Unrestricted funds £ | Restricted funds £ | **2007 Total funds £** | 2006 Total funds £ |
|---|---|---|---|---|
| **Fund balances at 30 September 2007 are represented by:** | | | | |
| Tangible fixed assets | **1,403** | **–** | **1,403** | 3,109 |
| Current assets | **156,112** | **91,740** | **247,852** | 88,682 |
| Creditors: amounts falling due within one year | **(13,194)** | **(89,820)** | **(103,014)** | (64,243) |
| Creditors: amounts falling due after one year | **(287,987)** | **–** | **(287,987)** | (189,956) |
| **Total net assets** | **(143,666)** | **1,920** | **(141,746)** | (162,408) |

## 17 Related party transactions

Points of Light Foundation, a United States 501(c)(3) non-profit organisation ('Points of Light Foundation US') is the sole member of Points of Light Foundation UK. During the period, Points of Light Foundation US provided in-kind support totalling £157,503 to Points of Light Foundation UK.

Points of Light Foundation US has also provided Points of Light Foundation UK with a working capital loan, of which £287,987 was outstanding at 30 September 2007 (see note 14). This loan is only payable to the extent that the charitable company has sufficient funds to make any repayments due.

Other than those transactions stated above there were no other related party transactions during the year.

### 18 Liability of member

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up the member is required to contribute an amount not exceeding £1.