

Company registration number 07253015 (England and Wales)

POSITIVE MONEY LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

POSITIVE MONEY LTD

COMPANY INFORMATION

Directors	Eva Watkinson Jack Easton Ishaan Chilkoti Richard Taylor Lily Tomson Sian Williams Rosemary Halfhead Debbie Thomas
Company number	07253015
Registered office	104 Davina House 137-149 Goswell Road London EC1V 7ET
Auditor	Sargent and Co 219 Croydon Road Caterham Surrey CR3 6PH

POSITIVE MONEY LTD

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POSITIVE MONEY LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Principal activities

The principal activity of the company continued to be that of being a think tank, pressure group and advocacy organisation.

The company periodically publishes a separate report on its activities. The most recent of these will be made available on the company's website shortly after the approval of these financial statements at <https://positivemoney.org/about/finances-funding/>

The company prepared a strategy for the five years 2021-2026. A summary of the strategy can be obtained from the company's website, at <https://positivemoney.org/about/strategy-2021-2026/>

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Eva Watkinson

Jack Easton

Ishaan Chilkoti

Richard Taylor

Lily Tomson

Sian Williams

Maeve Cohen

Rosemary Halfhead

Debbie Thomas

(Resigned 20 October 2022)

Auditor

The auditors, Sargent & Co will be proposed for re-appointment in accordance with section 485 of the Companies Act 2006.

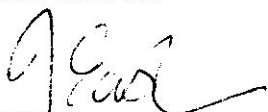
Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Jack Easton

Director

9 November 2023

POSITIVE MONEY LTD

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

POSITIVE MONEY LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF POSITIVE MONEY LTD

Opinion

We have audited the financial statements of Positive Money Ltd (the 'company') for the year ended 31 March 2023 which comprise the income and expenditure account, the balance sheet and notes to the financial statements, including 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 company's affairs as at 31 March 2023 and of its surplus 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 directors' 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 company'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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

POSITIVE MONEY LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF POSITIVE MONEY LTD

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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.

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience through discussion with the Officers and other management (as required by auditing standards).
- We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related trade union legislation) and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.
- With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Officers.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

POSITIVE MONEY LTD

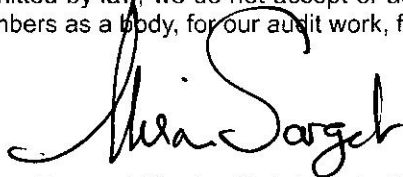
INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF POSITIVE MONEY LTD

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.



Alison Sargent (Senior Statutory Auditor)
For and on behalf of Sargent and Co

9 November 2023

Chartered Accountants
Statutory Auditor

219 Croydon Road
Caterham
Surrey
CR3 6PH

POSITIVE MONEY LTD

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Income	2	891,087	639,261
Administrative expenses		(811,956)	(615,042)
Other operating income		15,131	17,974
Operating surplus		<u>94,262</u>	<u>42,193</u>
Interest receivable and similar income		687	125
Surplus before taxation		<u>94,949</u>	<u>42,318</u>
Tax on surplus	4	(130)	-
Surplus for the financial year		<u><u>94,819</u></u>	<u><u>42,318</u></u>

The income and expenditure account has been prepared on the basis that all operations are continuing operations.

The notes on pages 8 to 17 form part of these financial statements.

POSITIVE MONEY LTD

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Debtors	5	15,378		3,891	
Cash at bank and in hand		577,254		500,701	
		<u>592,632</u>		<u>504,592</u>	
Creditors: amounts falling due within one year	6	(22,805)		(29,585)	
Net current assets			569,827		475,007
Reserves					
Other reserves	8	243,902		204,559	
Income and expenditure account	8	325,925		270,448	
Members' funds			569,827		475,007

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 9 November 2023 and are signed on its behalf by:


Jack Easton
Director

Company Registration No. 07253015

POSITIVE MONEY LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Positive Money Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is 104 Davina House, 137-149 Goswell Road, London, EC1V 7ET.

For public benefit and not for profit

The company's activities, described on page 1, and its objects, set out in Article 3 of its constitution, are such that Positive Money Limited is a "public benefit entity" as defined in the applicable financial reporting standard.

Further, Article 4 of the company's constitution asserts that Positive Money Limited does not pursue its activities for the purpose of making a profit.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The company has adopted accounting policies that are appropriate for a public benefit entity and has applied the disclosure requirements of section 1A of FRS 102 other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The directors are required to prepare these financial statements on a going concern basis, and to disclose any material uncertainty surrounding the company's ability to continue as a going concern.

The directors recognise that the greater part of the company's income is received in the form of grants, and supporter donations, and accordingly that the extent of future income relies on the discretion of existing and potential donors and cannot be predicted with certainty. The company maintains an active dialogue with grant givers and an active engagement programme with donors through its local groups and its online engagement programme and is therefore able to make reasonable assessments of the likelihood that funding expectations will be realised.

The directors have prepared these financial statements on a going concern basis. The board has made its assessment of the company's ability to continue as a going concern by having regard to the following key factors:

- The company continues to seek donations, and further, future grant funding as part of its normal business, and the directors continue to pay particular attention to actual and expected funding levels when monitoring the company's budgets and cash flow forecasts.
- The amounts of reserves and secured future grant income are sufficient to maintain the company's intended level of activity for a period of 10 months from the date that these financial statements were approved.

POSITIVE MONEY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.3 Income

The majority of Positive Money's income arises from grants and donations, which may be given without reservation or which may have been given to fund or partly fund particular projects or activities that Positive Money undertakes or intends to undertake.

Donations from any source are recognised as income on receipt when the donor places no restriction on the use of the funds, nor imposes any performance obligation on the company.

Where in addition, a donor has placed a restriction on how donated funds should be applied, any such funds that are unspent at the year-end are not available for general use by the company and in recognition of this are transferred from the income and expenditure account to a restricted funds reserves account. These amounts are transferred from the restricted funds reserves account (back) to the income and expenditure account, as a movement within reserves, in the period in which the donated funds are applied to the project or activity specified by the donor.

Where a grant or donation that has been received imposes a specific, future, performance-related condition on the company, such that the company's entitlement to the income is conditional on it carrying out identifiable tasks or activities, income is recognised only to the extent that those tasks or activities have been completed. Accordingly, funds that have been received on such terms before the year-end are included in the balance sheet as deferred income to the extent that the underlying tasks or activities remain to be completed.

Positive Money may also receive fee income in return for providing services, that is, for carrying out commissioned pieces of work within its areas of expertise.

Income from the provision of services is recognised in proportion to the stage of completion of the project or service at the end of the reporting period (sometimes referred to as the percentage of completion method), provided that all of the following conditions are met:

- a) the amount of revenue can be measured reliably;
- b) it is at least probable that the fee will be received ;
- c) the stage of completion of the project or service at the end of the reporting period can be measured reliably; and
- d) the costs incurred for the project or service and the costs to complete the project or service can be measured reliably.

Income from the provision of project-like services where the above conditions are not met, is recognised only to the extent of costs incurred that the company reasonably expects to recover until such time as the conditions are met, or otherwise the remainder of the income is recognised on the completion of the project. A provision is made for any foreseeable losses on committed or incomplete projects.

Fees receivable for services that are provided continuously are recognised as income evenly over the duration of the contract.

Positive Money also receives, or may receive, small amounts of income from the sale of publications and branded goods, and other activities that are ancillary to the company's aims.

Income from such sales is recognised when the goods or services are provided.

Judgments and estimates applicable to income recognition:

Where a grant supports work that is carried out in collaboration with Positive Money Europe or Positive Money US, the directors may have to apply judgement in determining whether any portion of the grant should be excluded from the company's income on the grounds that such funding was not the company's income but was received only as an agent for another Positive Money entity.

POSITIVE MONEY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

The directors may have to apply judgment in determining whether the terms of a particular donation include a restriction or a performance-related obligation where the express terms of the donation or grant are not definitive.

The directors may have to make estimates relating to the likely costs and percentage completion of contracts for services that are incomplete at the year end.

However, no significant judgments or estimates relating to income recognition were made in preparing these financial statements.

1.4 Expenditure

Expenditure other than on capitalised tangible fixed assets is included in the financial statements as and when it is incurred. Amounts recognised as expenditure include VAT since the company is unable to recover VAT.

A commitment to make a grant to another Positive Money entity is recognised as expenditure only when the company is already in possession of the relevant funds and an agreement to remit a specified amount has been made.

1.5 Tangible fixed assets

Tangible fixed assets comprise office furniture and office, IT and communications equipment.

Assets that cost less than £1,000 are treated as expenditure when received. Assets that cost £1,000 or more are initially included in the financial statements at cost (including VAT), and subsequently at cost less amounts written off as depreciation or on the impairment of the asset.

Depreciation is charged on a straight line basis so as to write off the cost of any capitalised asset, less its expected residual value, if any, over its expected useful life.

1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

POSITIVE MONEY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price.

1.8 Taxation

The company does not carry out any trade or activity for the purpose of making a profit, however the receipt of interest is chargeable to corporation tax.

The company was dormant for corporation tax purposes until the year ended 31 March 2022.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

POSITIVE MONEY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.13 Accumulated surpluses on the income and expenditure account - Reserves policy

Amounts included in the income and expenditure account in the balance sheet ("reserves") are realised surpluses that can be applied at the company's discretion.

As a limited company, but not being a charity, Positive Money is under no obligation to maintain a formal reserves policy. However, as a "not for profit" organisation that relies in large part on grants and donations for its income, it would be inappropriate for the company to accumulate and maintain an unduly large surplus on its reserves. This note sets out the company's present policies affecting reserves. The directors intend that their reserves policy should have some subjectivity, rather than be defined with precision.

Since income relies on the discretion of donors, it is proper and prudent for the company to maintain a reasonable surplus in order to provide a buffer against any temporary funding gap, or, in the worst possible case, to allow for an orderly wind down of the company in the unlikely event that a reasonable funding stream could no longer be maintained. To these ends, a core purpose for holding and maintaining reserves is to ensure that approximately three months of expected operating expenditure could at any time be funded from past surpluses.

The directors consider that the company's reserves could be applied to support Positive Money Europe and US (PM Eu and PM US as described on note 11 of these financial statements) for the same purposes until such time as PM Eu and PM US have each accumulated sufficient reserves of their own and the company holds reserves for these purposes also.

For the time being, the company will continue to seek to ensure that future activities are fully funded by future income, so that the accumulated reserves are likely to grow further. At the same time, the company remains alert to the possibility of using portions of the reserves to carry out activities consistent with its strategy that are otherwise unfunded.

The directors do not currently consider it appropriate to set out a formal maximum level of reserves, but will continue to monitor the company's circumstances and actions, and review these policies annually, to ensure that the levels of reserves remain sufficient but not excessive.

2 Income

Income recognised in the financial statements (including other operating income, but excluding interest received) may be analysed as follows

	2023 £	2022 £
Unrestricted income	50,050	52,187
Restricted grant income	841,037	587,074
Income received for the provision of services	11,531	17,974
Miscellaneous sales	3,600	-
Total	906,218	657,235

POSITIVE MONEY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Employees

The average monthly number of persons employed by the company during the year was 14 (2022 - 13). No directors of the company were employed. Directors are unpaid volunteers and are not entitled to undertake any services for the company that require remuneration.

	2023 Number	2022 Number
Total	14	13

4 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	130	-

5 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	15,378	3,891

6 Creditors: amounts falling due within one year

	2023 £	2022 £
Corporation tax	130	-
Other taxation and social security	11,782	10,017
Other creditors	10,893	19,568
	22,805	29,585

7 Members' liability

The company is limited by guarantee, not having a share capital, and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

POSITIVE MONEY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

8 Reserves

Out of total reserves of £569,827 (2022- £475,007), £243,902 (2022 - £204,559) are restricted funds, which relate to grants given for a particular purpose that had not been used by the year end date, and £325,925 (2022 - £270,448) are unrestricted funds for the general use of the company.

Income and Expenditure Account	B/fwd £	Income £	Expenditure £	C/fwd £
General Fund	270,448	65,868	(10,391)	325,925
Restricted Fund:				
European Climate Foundation 4	-	40,000	(63,897)	(23,897)
European Climate Foundation (Videos)	-	20,000	(18,233)	1,767
Friends Provident Charitable Foundation 2	40,074	50,000	(90,074)	-
Friends Provident Charitable Foundation 3	-	37,500	(31,652)	5,848
Hewlett Foundation	2,250	-	(2,250)	-
Joseph Rowntree Charity 3	-	60,000	(51,958)	8,042
Kestrelman Trust	16,391	-	(16,391)	-
Laudes Foundation	-	72,851	(59,303)	13,548
Partners for a New Economy 3	130,554	150,000	(144,731)	135,823
Paul Hamlyn Foundation 2	-	20,000	(20,000)	-
Polden- Puckham Charitable Foundation	13,848	-	(13,848)	-
Polden- Puckham Charitable Foundation 2	-	100,000	-	100,000
The Sunrise Project 1	1,442	-	(1,442)	-
The Sunrise Project 2	-	267,686	(267,686)	-
Trust for London 2	-	23,000	(20,228)	2,772
Total Restricted Funds	204,559	841,037	(801,694)	243,902
Total Funds	475,007	906,905	(812,085)	(569,827)

POSITIVE MONEY LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Sources of funds

Restricted Funds:

European Climate Foundation 4: £80,000 between June 2022 - May 2023 for a project on scaling up green investment to address the cost of living and inflation crises. As at 31 March 2023 £40,000 of this grant had been received in aggregate. A further £32,000 was received in May 2023.

European Climate Foundation (Videos): £25,000 between December 2022 - March 2023, later extended to April 2024 for work on educational videos on the links between fossil fuel dependence and inflation. As at 31 March 2023 £20,000 of this grant had been received in aggregate.

Friends Provident Charitable Foundation 2: Originally £250,000 between January 2018 - December 2022, and since increased in March 2021 to a total of £310,000, for our project 'The potential for money to be created for the common good', funding a range of key staff roles and the dissemination of research and analysis. As at 31 March 2023 the entirety of this grant had been received.

Friends Provident Charitable Foundation 3: £150,000 core grant between January 2023 - December 2025. As at 31 March 2023 £37,500 of this grant had been received in aggregate.

Hewlett Foundation: US\$55,000 (equalling £41,132 at the time of receipt) between September 2020 and March 2022 for organisational capacity and legal support for the incorporation of a new Positive Money company registered in the US. As at 31 March 2023 the entirety of this grant had been received.

Joseph Rowntree Charitable Trust 3: Originally £300,000 between April 2022 - March 2027, and since increased to £312,500, for our project 'A wellbeing economy for environmental and social justice'. As at 31 March 2023 £60,000 of this grant had been received in aggregate.

Kestrelman Trust: £20,000 between April 2021 - March 2023 for our work focussed on a wellbeing economy. As at 31 March 2023 the entirety of this grant had been received.

Laudes Foundation (via Positive Money Europe): A core grant of €450,000 to our Belgian counterpart organisation, of which €112,500 is earmarked to be sub-granted to the company for UK activities. As at 31 March 2023 €84,375 (£72,851 at the time of receipt) of this grant has been received in aggregate.

Partners for a New Economy 3: Originally £450,000 between January 2022 - December 2024, and since increased to £481,460, for our project 'Towards a money and banking system that supports ecological and human wellbeing', funding many of Positive Money's research, mobilisation, and influencing activities. As at 31 March 2023 £310,000 of this grant had been received in aggregate.

Paul Hamlyn Foundation 2: £20,000 between April 2022 - March 2023 development work on a range of key strategic topics. As at 31 March 2023 the entirety of this grant had been received.

Polden-Puckham Charitable Foundation: Originally £30,000 between January 2020 - December 2021, and since increased to £45,000 and extended to December 2022, for our project 'A co-ordinated green movement strategy for money and banking reform at COP26'. As at 31 March 2023 the entirety of this grant had been received.

Polden-Puckham Charitable Foundation 2: £200,000 between December 2022 - March 2025 for our project 'Transforming the international monetary and financial system for environmental sustainability and security in the Global South'. As at 31 March 2023 £100,000 of this grant had been received in aggregate.

The Sunrise Project 1: \$US320,000 (£226,959 at the time of receipt) between March 2021 - March 2022 for our work on greening central banks' policies in the UK, US and EU. As at 31 March 2023 the entirety of this grant had been received.

The Sunrise Project 2: \$350,000 (£267,686 at the time of receipt) between April 2022 - March 2023 divided between the company, Positive Money Europe and Positive Money US to support our individual and collective work on greening central banks and financial regulation in the UK, US and EU. As at 31 March 2023 the entirety of this grant had been received.

Trust for London 2: £95,000 between August 2022 - July 2024 for a project on housing policy and tackling housing affordability. As at 31 March 2023 £23,000 of this grant had been received in aggregate.

Income for the provision of services:

Post Office: £8,000 for work in September-October 2022 towards two events at the Labour and Conservative party conferences. As at 31 March 2023, £0 had been received. The full amount was received in May 2023.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Reserves summary

The aggregate movement on reserves were as follows:

	Income and Expenditure £	Restricted Funds £	Total £
Balance at the beginning of the year, 1 April 2022	270,448	204,559	475,007
Restricted Income from prior period utilised during the year	204,559	(204,559)	-
Add: Surplus for the year	94,819	-	94,819
Restricted Income received in the year but not yet utilised	(243,902)	243,902	-
Balance at the end of the year 31 March 2023	325,925	243,902	569,827

The transfers between reserves are more fully explained in note 1.3. See Note 8 for detail of restricted funds.

11 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2023 £	2022 £
5,500	5,500

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Related party transactions

The company's related parties are the directors, a Belgian ABSL (non-profit association), Positive Money Europe (PM Eu) and a United States of America charitable non-stock corporation, Positive Money US, Inc (PM US), incorporated in the state of Delaware. These two entities have similar objectives to the company, save that their focus is the European and US monetary systems respectively.

The company, PM Eu and PM US collaborate where it is appropriate and helpful to do so. Some grants are applied for and obtained on the basis that the total grant is received by one of the Positive Money entities with the intention that a portion of the total is remitted to one or both of the others.

PM Eu: The company first received funding to carry out projects relating to the European monetary system in 2015, and initially used its own resources to deliver on these and subsequent projects. The company founded PM Eu so that the company's vision of monetary and banking reform could be pursued more effectively and at a larger scale within the European Union, and to allow it to continue after 'Brexit'.

PM Eu was founded on 17 December 2018, and it was registered on 18 January 2019. The company continues to control PM Eu by the action of PM Eu's constitution, which requires that all members of PM Eu are existing members of Positive Money, and by the fact that since incorporation all or the majority of the PM Eu board members are Positive Money's nominees. The company intends that further PM Eu board members shall be drawn from a broader pool of candidates, and in future shall not be limited to Positive Money nominees, to support PM Eu's continued growth and greater autonomy.

Positive Money and PM Eu signed a "Memorandum of Understanding" on 15 September 2020 by which the parties agreed in particular that in pursuing their objectives they shall at all times endeavour to do so in a manner consistent with the best interests of the other, and in pursuit of a shared vision.

In the year ended 31 March 2023 funding of £86,869 (2022 £32,892) was remitted to PM Eu. In the same year funding of £72,851 (2022 £0) was remitted by PM Eu to the company.

PM US: The company has worked on projects in collaboration with partner organisations in the US for several years, and initially used its own resources to deliver on these and subsequent projects. The company founded PM US so that the company's vision of monetary and banking reform could be pursued more effectively and at a larger scale within the USA.

PM US was founded on 9 September 2021. The company continues to control PM US by the action of PM US' constitution, within which the sole member of PM US is the company itself, and by the fact that since incorporation the majority of the PM US board members are Positive Money's nominees. The company intends that further PM US board members shall be drawn from a broader pool of candidates, and in future shall not be limited to Positive Money nominees, to support PM US' continued growth and greater autonomy.

Positive Money and PM US signed a "Memorandum of Understanding" on 28 July 2022 by which the parties agreed in particular that in pursuing their objectives they shall at all times endeavour to do so in a manner consistent with the best interests of the other, and in pursuit of a shared vision.

In the year ended 31 March 2023 funding of £80,477 (2022 £85,361) was remitted by the company to PM US for its activities. The company has also paid £21,357 of US expenses on behalf of PM US. It is envisaged that the company will continue to support PM US, including remitting funds drawn from restricted grants given (in part) to the company for PM US activities, and remitting some of the company's unrestricted funds.