

Registered number: 06758215
Charity number: 1129409

RASPBERRY PI FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

RASPBERRY PI FOUNDATION
(A Company Limited by Guarantee)

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RASPBERRY PI FOUNDATION
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2016

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Raspberry Pi Foundation (the company) for the year ended 31 December 2016. The Trustees confirm that the Annual Report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

a. POLICIES AND OBJECTIVES

The Raspberry Pi Foundation is a registered charity whose charitable purposes defined within the Charities Act 2011 are to advance education of adults and children, particularly in the field of computers, computer science and related subjects.

The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, and that the purpose and aims of Raspberry Pi Foundation are for the greater public good.

b. STRATEGIES FOR ACHIEVING OBJECTIVES

At the end of 2015 the Board of Trustees agreed and published a new three-year strategy for the Foundation. Over the period of the strategy, the mission of the Foundation is to put the power of digital making into the hands of people all over the world.

To achieve this, the Foundation is focused on three main areas of activity:

- Providing low-cost, high-performance computers that people use to learn, to solve problems, and have fun.
- Making computing and digital making more relevant and accessible to more people through outreach and educational programmes.
- Helping people to learn about computing and how to make things with computers through resources and training.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

a. REVIEW OF ACTIVITIES

The Trustees consider that 2016 has been a year of significant growth in the reach and impact of both the Foundation's charitable activity and commercial business.

Through its Trading subsidiary (Raspberry Pi (Trading) Limited), the Foundation has continued to make low-cost, high powered computers available to people all over the world, ending the year with over 12 million units sold.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

In 2016 the Trading subsidiary launched the Raspberry Pi 3, a new generation of visible-light and IR cameras, an updated Raspberry Pi Zero with a camera connector, as well as a new desktop environment. The continuing success of this commercial activity has helped advance our charitable mission and provided funds that support our wider educational activities.

We have continued to engage young people in learning about computing and digital making through the Foundation's educational programmes. For example, the Astro Pi competition was extended to all European Space Agency Member States as part of the French ESA astronaut Thomas Pesquet's mission to the International Space Station, providing young people across Europe with the opportunity to have their code run in space.

Following the merger in late 2015, Code Club saw significant growth in 2016, ending the year with over 5,000 active clubs in the UK, which were attended by more than 75,000 children each week. The network of Code Clubs outside the UK has continued to grow, with over 4,000 clubs active in over 100 countries, including nine countries that have official Code Club regional partners (Australia, Bangladesh, Brazil, Canada, Croatia, France, Hong Kong, New Zealand, Ukraine).

At the end of the year, we launched Pioneers, a new programme to engage teenagers in digital making. The Foundation also strengthened its outreach activity to reach new audiences, and in 2016 engaged tens of thousands of people at over twenty conferences, festivals, and trade shows, mainly in the UK and USA.

Through our teacher training programme Picademy, we have trained 1,000 Certified Educators in the UK and USA. We have also continued to train primary school teachers through the Code Club teacher training initiative, reaching a total of over 3,000 teachers across the UK. The Foundation has also started to develop online teacher training courses which will launch early in 2017.

The Foundation launched its digital making curriculum and expanded its catalogue of free educational resources, which together received over 7 million unique views in 2016. We also started work on a new platform to deliver these resources to users.

The publishing business has also gone from strength to strength, particularly with the publication of six new MagPi Essentials books, an expansion of the MagPi magazine into non-English markets with a range of translated products, and the development of a new free magazine for educators called Hello World.

During 2016 the Foundation has worked hard to enhance the rigour of its activities, by working with independent partners to evaluate the impact of its programmes, developing a Theory of Change for the Foundation, and improving the collection of data and feedback across all activities.

While the Raspberry Pi Foundation is based in the UK, we have a global mission and have continued to expand our charitable activities around the world. As part of this, the Foundation has taken steps towards establishing a US-based non-profit entity that will support the expansion of our charitable activities in North America.

In line with the strategy to become an operating Foundation, Raspberry Pi Foundation has expanded its staff and now employs 50 people. The Trustees note that the breadth and scale of activities is only possible thanks to a huge community of volunteers who support our mission in many different ways, including volunteering at Code Clubs and organising community events like Raspberry Jams.

Investment returns on the charity's investment portfolio were satisfactory for the year. £3m was transferred to the portfolio during the year (making £6m to date) which is considered a strategic reserve for funding the charity's continuing operations.

RASPBERRY PI FOUNDATION
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

FINANCIAL REVIEW

a. GOING CONCERN

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. FINANCIAL PERFORMANCE

Overall the group had net income for the year of £7,549,408 (2015 - £2,787,775), including a £7,725,565 surplus on unrestricted funds (2015 - £2,684,392).

c. KEY PERFORMANCE INDICATORS

The charity has determined key performance indicators by which the development, performance or position of the various elements of its operations can be effectively measured.

The following are considered to be key performance indicators, the measure of which is to achieve growth versus the previous financial year:

	2016	2015
Total group income	£17,566,592	£9,108,505
Average number of group staff	61	28
Gift Aid received from Trading subsidiary	£6,000,000	£3,500,000

d. RESERVES POLICY

The Trustees have examined the requirements for free reserves i.e. those unrestricted funds not invested in tangible fixed assets or otherwise committed. The Trustees consider that given the nature of the organisation's work, the charity should aim to maintain a strategic reserve sufficient to cover 3 years of operational expenditure without relying on additional income. This is intended as a contingency to cover operational expenditure in the event of trading income of its subsidiary declining.

The consolidated balance sheet shows total funds of £14,792,157 which includes grants subject to donor imposed conditions and general funds. Unrestricted funds of the charity including its subsidiaries at 31 December 2016 were £14,751,720.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

The company and the group is registered as a charitable company limited by guarantee and was set up, and is governed by, its Articles of Association, which were updated 3 December 2015. It is registered as a charity with the Charity Commission, under charity number 1129409.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The Board of Trustees meets regularly in order to discuss the operations of the charity.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

New Trustees are briefed on their legal obligations under Charity and Company Law, the content of the Articles of Association, the Trustee decision making processes, and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role, and Trustees' meetings whenever possible in order to maintain their awareness of the charity's activities

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Trustees are responsible for establishing the overall policy and direction to enable the charity to meet its objectives. The key management decisions are taken by the Trustees as a whole although the Trustees have delegated certain types of management decisions to the company's executive staff.

e. RISK MANAGEMENT

The Trustees regularly review the major risks to which the charity is exposed and are satisfied that adequate controls are in place to mitigate such risks.

The Trustees have a risk management strategy which comprises:

- a periodic review of the risks the charity might face including : risks to income including dependency on contracts; operational issues; risks relating to staff retention; financial risks relating to investment returns and foreign exchange; and reputational risk and threat
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

f. RISKS AND UNCERTAINTIES

The major risk and uncertainty relates to failure to receive donations to support the charitable activities. The ongoing Gift Aid from its trading subsidiary forms a major part of the charity's income and any deterioration in the subsidiary company's trade would directly impact the charity. Principal risks and uncertainties identified impacting the trading company are:

- a) There may be new competitors in the trading subsidiary's market space – the subsidiary continues to keep building exciting and innovative products and keep costs as low as possible to mitigate this risk;
- b) There may be component shortages that give the subsidiary issues in meeting demand for its products – the subsidiary utilises multiple suppliers to mitigate this risk;
- c) There may be a risk of the subsidiary losing key personnel – the subsidiary provides a stimulating work environment and offers rewarding compensation and benefits packages to retain and attract new employees.

g. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

In common with other businesses, the charity aims to minimise financial risk. The measures used by the Trustees to minimise risk include the preparation of incoming resources and cash flow forecasts, regular monitoring of actual performance against these forecasts and ensuring that adequate financing facilities are in place to meet the requirements of the business.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Costs are carefully monitored to ensure they remain within the constraints of the budget.

The group trading subsidiary uses various financial instruments which include various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to provide working capital for the trading operations.

The main risk arising from the group's trading operations are currency and credit risk. Management reviews and agree policies for managing each of these risks and they are summarised below.

Currency Risk

The group generates revenue and sources a significant proportion of its goods in foreign currency. The company holds bank accounts in foreign currency to help mitigate the company's foreign exchange risk.

Credit Risk

In order to manage credit risk management set limits for customers based on payment history. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

PLANS FOR FUTURE PERIODS

a. FUTURE DEVELOPMENTS

At the end of 2016, the Trustees agreed an operational plan for 2017 that supports the existing 2016 - 2018 strategy, which is published on the Foundation's website. Priorities for 2017 include:

- Engaging many more young people in our educational programmes, including Astro Pi, Code Club, and Pioneers.
- Increasing the Foundation's support to educators through running Picademy in the UK and USA, and developing online training for educators.
- Continuing to develop high quality educational resources that support the digital making curriculum and develop a new online platform for delivery of the Foundation's educational resources that provides additional functionality to users.
- Providing greater support to our community of volunteers and educators, including providing resources and materials for Raspberry Jams.
- Increasing our understanding of what is effective in helping young people learn about computing and digital making through a programme of research and evaluation of our own activities.
- Establishing a US operational entity to expand our charitable activities in the USA.

MEMBERS' LIABILITY

The Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Raspberry Pi Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2016

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including 'FRS 102 The Financial Reporting Standard applicable in the UK and the Republic of Ireland'). Under company law the Trustees 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 in the Charities SORP (FRS 102);
- make judgments 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 charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION TO AUDITORS

The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

AUDITORS

The auditors, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This Trustees report, incorporating the strategic report, was approved by the Trustees on 22 May 2017 and signed on their behalf by:


Mr J A Lang
Trustee & Company Secretary

RASPBERRY PI FOUNDATION
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2016**

Trustees	Mr J A Lang Mr D J Braben Dr D D Cleevely Mrs S L Coutu Mr L Glass Mr P B Lomas Mr C J Mairs Dr M P Blyth (appointed 29 November 2016)
Company registered number	06758215 - Country of Incorporation England
Charity registered number	1129409
Registered office	30 Station Road Cambridge CB1 2JH
Company Secretary	Mr J A Lang
Chief Executive Officer	Mr P A Colligan
Independent auditors	Grant Thornton UK LLP Statutory Auditor, Chartered Accountants 101 Cambridge Science Park Milton Road Cambridge Cambridgeshire CB4 0FY
Bankers	Barclays Bank plc Chesterton Road Cambridge CB4 3AZ

RASPBERRY PI FOUNDATION
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RASPBERRY PI FOUNDATION

We have audited the financial statements of Raspberry Pi Foundation for the year ended 31 December 2016 which comprise the consolidated statement of financial activities, company statement of financial activities, consolidated balance sheet, company balance sheet, the consolidated statement of cash flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charitable 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 charitable company's members 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 charitable company and its members as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement on pages 5-6, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2016 and of the group's and the parent charitable company's incoming resources and application of resources, including the group's and the parent's 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 Companies Act 2006.

RASPBERRY PI FOUNDATION
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RASPBERRY PI FOUNDATION

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Annual Report, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Annual Report, incorporating the Strategic Report, has been prepared in accordance with applicable legal requirements.

MATTER ON WHICH WE ARE REQUIRED TO REPORT UNDER THE COMPANIES ACT 2006

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Trustees' Annual Report, incorporating the Strategic Report.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Alison Seekings
Senior Statutory Auditor
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Cambridge
Date: 9 June 2017

RASPBERRY PI FOUNDATION
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating consolidated income & expenditure account)
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:					
Donations:					
Gift on combination with Code Club World	2	-	-	-	225,248
Other donations and grants	2	273,145	410,169	683,314	576,071
Other trading activities	3	16,713,500	-	16,713,500	8,187,616
Investments	4	130,694	-	130,694	87,905
Other income	5	39,084	-	39,084	31,665
TOTAL INCOME		17,156,423	410,169	17,566,592	9,108,505
EXPENDITURE ON:					
Raising funds:					
Trading Expenditure	6	7,654,999	-	7,654,999	4,480,964
Investment management		6,105	-	6,105	8,147
Charitable activities	7	2,242,481	586,326	2,828,807	1,826,424
TOTAL EXPENDITURE		9,903,585	586,326	10,489,911	6,315,535
NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)		7,252,838	(176,157)	7,076,681	2,792,970
Net gains/(losses) on investments	16	472,727	-	472,727	(145,724)
NET INCOME BEFORE OTHER GAINS AND LOSSES		7,725,565	(176,157)	7,549,408	2,647,246
Fair value movement on foreign exchange contracts		-	-	-	140,529
NET MOVEMENT IN FUNDS		7,725,565	(176,157)	7,549,408	2,787,775
RECONCILIATION OF FUNDS:					
Total funds at 1 January 2016		7,026,155	216,594	7,242,749	4,454,974
TOTAL FUNDS AT 31 DECEMBER 2016		14,751,720	40,437	14,792,157	7,242,749

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 15 to 38 form part of these financial statements.

RASPBERRY PI FOUNDATION
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**COMPANY STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:				
Donations:				
Other donations and grants	6,692,954	410,169	7,103,123	4,076,071
Investments	130,694	-	130,694	86,035
Other income	39,084	-	39,084	31,665
TOTAL INCOME	6,862,732	410,169	7,272,901	4,193,771
EXPENDITURE ON:				
Raising funds:				
Investment management	6,106	-	6,106	8,147
Charitable activities	2,242,481	586,326	2,828,807	1,826,424
TOTAL EXPENDITURE	2,248,587	586,326	2,834,913	1,834,571
NET INCOME BEFORE INVESTMENT GAINS / (LOSSES)	4,614,145	(176,157)	4,437,988	2,359,200
Net gains/(losses) on investments	472,727	-	472,727	(145,724)
NET MOVEMENT IN FUNDS FOR THE YEAR	5,086,872	(176,157)	4,910,715	2,213,476
Total funds at 1 January 2016	4,313,637	216,594	4,530,231	2,316,755
TOTAL FUNDS AT 31 DECEMBER 2016	9,400,509	40,437	9,440,946	4,530,231

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 15 to 38 form part of these financial statements.

RASPBERRY PI FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06758215

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Intangible assets	14		34,583		-
Tangible assets	15		465,974		360,994
Investments	16		<u>6,541,999</u>		<u>2,954,540</u>
			<u>7,042,556</u>		<u>3,315,534</u>
CURRENT ASSETS					
Stocks	18	2,690,666		623,124	
Debtors	19	3,730,754		2,353,394	
Cash at bank and in hand	24	<u>3,252,122</u>		<u>2,706,032</u>	
		9,673,542		5,682,550	
CREDITORS: amounts falling due within one year	20		<u>(1,923,941)</u>		<u>(1,755,335)</u>
NET CURRENT ASSETS			<u>7,749,601</u>		<u>3,927,215</u>
NET ASSETS			<u>14,792,157</u>		<u>7,242,749</u>
CHARITY FUNDS					
Restricted funds	21		40,437		216,594
Unrestricted funds	21		<u>14,751,720</u>		<u>7,026,155</u>
TOTAL FUNDS			<u>14,792,157</u>		<u>7,242,749</u>

The financial statements were approved by the Trustees on 22 May 2017 and signed on their behalf, by:


Mr J A Lang
Trustee & Company Secretary

The notes on pages 15 to 38 form part of these financial statements.

RASPBERRY PI FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 06758215

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	15		163,192		45,621
Investments	16		<u>6,541,999</u>		<u>2,954,541</u>
			6,705,191		3,000,162
CURRENT ASSETS					
Stocks	18	-		-	
Debtors	19	411,757		97,516	
Cash at bank and in hand			<u>2,604,849</u>	<u>1,732,010</u>	
			3,016,606	1,829,526	
CREDITORS: amounts falling due within one year	20		<u>(280,851)</u>	<u>(299,457)</u>	
NET CURRENT ASSETS			<u>2,735,755</u>		<u>1,530,069</u>
NET ASSETS			<u>9,440,946</u>		<u>4,530,231</u>
CHARITY FUNDS					
Restricted funds			40,437		216,594
Unrestricted funds			<u>9,400,509</u>		<u>4,313,637</u>
TOTAL FUNDS			<u>9,440,946</u>		<u>4,530,231</u>

The financial statements were approved by the Trustees on 22 May 2017 and signed on their behalf, by:



Mr J A Lang
Trustee & Company Secretary

The notes on pages 15 to 38 form part of these financial statements.

RASPBERRY PI FOUNDATION
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	23	<u>3,902,328</u>	2,320,163
Cash flows from investing activities:			
Dividends, interest and rents from investments		130,694	87,905
Purchase of intangible fixed assets		(41,499)	-
Purchase of property, plant and equipment		(330,701)	(373,434)
Purchase of investments		(3,114,732)	(1,079,210)
Acquisition of subsidiaries, net of cash acquired		-	415,569
Net cash used in investing activities		<u>(3,356,238)</u>	(949,170)
Change in cash and cash equivalents in the year		546,090	1,370,993
Cash and cash equivalents brought forward		<u>2,706,032</u>	1,335,039
Cash and cash equivalents carried forward	24	<u><u>3,252,122</u></u>	<u>2,706,032</u>

The notes on pages 15 to 38 form part of these financial statements.

RASPBERRY PI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Raspberry Pi Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to show a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are presented in Sterling (£).

The individual accounts of Raspberry Pi Foundation have adopted the following disclosure exemption under FRS 102:

- the requirement to present a statement of cash flows and related notes.

RASPBERRY PI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES (continued)

1.2 SIGNIFICANT JUDGEMENTS AND ESTIMATES

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Where funded projects remain in progress at the year end, the directors exercise judgement regarding the amount of income to be recognised based upon the progress of the project and any service conditions that are required to be satisfied.

Donated services relate to an estimate of the value of legal expertise donated during the year. The estimate for donated services of £37,000 for the year to 31 December 2016 (2015: £31,000) is based on the fees that management would have expected to incur for the work undertaken if it had indeed been commissioned. It excludes pro bono time that the charity benefits from through the expertise and networks of the foundation trustees and related parties.

1.3 CHARITY COMBINATIONS

Assets and liabilities transferred into the control of the charity at nil or nominal consideration are in substance a gift. A gain is recognised to the extent the fair value of assets received exceeds the fair value of liabilities assumed. The gain is shown separately as a gift within income.

1.4 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of Raspberry Pi Foundation and all of its subsidiary undertakings ('subsidiaries').

1.5 COMPANY STATUS

The company is a company limited by guarantee. The Trustees of the company, who are also members, are named on page 7. There are currently 8 Trustees (7 in 2015). In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.6 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 charity.

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

Investment income, gains and losses are allocated to the appropriate fund.

RASPBERRY PI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES (continued)

1.7 INCOME

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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. Where projects are in progress at the year end, income within the subsidiaries is deferred so as to match the income with the expenditure to which it relates.

Donated services are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in the accounts.

1.8 EXPENDITURE

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

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated to the applicable expenditure headings.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

The charity considers that it has a single activity being the provision of educational programmes in the field of computers and computer science and all support costs arise in relation to this activity and are not further analysed.

1.9 GOING CONCERN

The trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

1.10 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. The estimated useful life and amortisation rate used for intellectual property is 2 years. All intangible assets are considered to have a finite useful life.

RASPBERRY PI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES (continued)

1.11 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Property	-	Straight line over life of lease
Plant and machinery	-	3 years straight line
Furniture and fittings	-	3 years straight line
Office and computer equipment	-	3 years straight line

1.12 INVESTMENTS

Investments are a form of financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the unrealised and realised net gains and losses arising on revaluation and disposals throughout the year.

Subsidiary undertakings

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

1.13 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.14 INTEREST RECEIVABLE

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

1.15 TAXATION

The company 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 company 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.

RASPBERRY PI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

1. ACCOUNTING POLICIES (continued)

1.16 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid for goods or services not yet delivered net of any trade discounts due.

1.17 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.

1.18 CREDITORS AND PROVISIONS

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

1.19 FINANCIAL INSTRUMENTS

Financial assets measured at amortised cost comprise investments, cash, trade debtors and other debtors. Financial liabilities measured at amortised cost comprise trade creditors, financial liabilities and accruals and deferred income.

1.20 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

RASPBERRY PI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

2. INCOME FROM DONATIONS AND GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Gift on combination with Code Club World (note 17)	-	-	-	225,248
Other donations	236,145	-	236,145	176,631
Donated services	37,000	-	37,000	31,000
Grants	-	410,169	410,169	368,440
Subtotal	273,145	410,169	683,314	576,071
Total donations and grants	273,145	410,169	683,314	801,319

In 2015, of the total income from donations and grants, £432,879 was unrestricted and £368,440 was restricted.

RASPBERRY PI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

3. TRADING INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Raspberry Pi (Trading) Limited	16,277,730	-	16,277,730	7,954,981
Code Club World	435,770	-	435,770	232,635
	16,713,500	-	16,713,500	8,187,616

In 2015 all trading income was unrestricted.

4. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income - listed investments	123,863	-	123,863	84,985
Interest receivable	6,831	-	6,831	2,920
	130,694	-	130,694	87,905

In 2015 all investment income was unrestricted.

5. OTHER INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Other incoming resources	39,084	-	39,084	31,665

RASPBERRY PI FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

6. TRADING EXPENDITURE

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Direct trading costs of Raspberry Pi (Trading) Limited	3,173,775	-	3,173,775	1,450,863
Administration costs of Raspberry Pi (Trading) Limited	2,452,701	-	2,452,701	1,533,166
Administration costs of Code Club World	67,998	-	67,998	36,111
Staff costs of Raspberry Pi (Trading) Limited	1,576,482	-	1,576,482	1,218,614
Staff costs of Code Club World	224,071	-	224,071	139,741
Depreciation and amortisation of Raspberry Pi (Trading) Limited	156,027	-	156,027	100,492
Depreciation of Code Club World	3,945	-	3,945	1,977
	7,654,999	-	7,654,999	4,480,964

In 2015 all the expenditure was unrestricted.

RASPBERRY PI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

7. CHARITABLE ACTIVITIES EXPENDITURE

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Direct charitable costs (note 8)	554,590	410,736	965,326	789,689
Support costs (note 9)	1,687,891	175,590	1,863,481	1,036,735
Total	<u>2,242,481</u>	<u>586,326</u>	<u>2,828,807</u>	<u>1,826,424</u>

In 2015 expenditure on charitable activities was £1,826,424 of which £1,561,367 was unrestricted and £265,057 was restricted.

8. DIRECT COSTS

	Charitable Activities £	Total 2016 £	Total 2015 £
Donations	48,500	48,500	651,061
Wages and salaries	778,377	778,377	138,628
National insurance	75,389	75,389	-
Pension cost	63,060	63,060	-
	<u>965,326</u>	<u>965,326</u>	<u>789,689</u>

Direct costs total £965,326 (2015 - £789,689) of which £554,590 (2015 - £574,009) was unrestricted and £410,736 (2015 - £215,680) was restricted.

RASPBERRY PI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

9. SUPPORT COSTS

	Governance £	Primary purpose £	Total 2016 £	Total 2015 £
Legal and professional fees	-	70,248	70,248	73,871
Rent and rates	-	293,259	293,259	134,676
Utilities	-	21,454	21,454	5,543
Hotels	-	51,641	51,641	31,088
Travel and subsistence	-	123,647	123,647	59,649
Other premises expenses	-	18,181	18,181	-
Catering	-	59,871	59,871	-
Event related printing cost	-	7,549	7,549	-
Raspberry Pi hardware	-	14,208	14,208	-
Irrecoverable VAT	-	38,899	38,899	-
Audit and accountancy fees	38,495	-	38,495	19,080
Consultancy fees - finance	-	24,750	24,750	24,000
Prizes and awards	-	-	-	19,120
Computer costs	-	60,998	60,998	54,793
Marketing	-	62,339	62,339	319
Postage	-	4,241	4,241	5,474
Venue hire/other event costs	-	33,418	33,418	-
IT and telecommunications	-	6,122	6,122	479
Stationery	-	2,679	2,679	2,787
Foreign exchange (gain) / loss	-	(35,273)	(35,273)	8,851
Insurance	-	3,153	3,153	2,012
Subscriptions	-	2,623	2,623	1,059
Freight and duties	-	6,408	6,408	2,574
Repairs and maintenance	-	250	250	47
Recruitment fees	-	29,528	29,528	24,475
Conference costs	-	39,374	39,374	34,995
Contractor fees	-	175,411	175,411	133,043
Entertainment	-	11,593	11,593	17,052
Sale of assets	-	-	-	1,067
Bank charges	-	1,974	1,974	1,123
Temporary staff	-	12,096	12,096	16,166
Staff welfare and benefits	-	19,413	19,413	4,941
Wages and salaries	-	596,873	596,873	278,444
National insurance	-	57,810	57,810	42,709
Pension cost	-	48,355	48,355	31,248
Depreciation	-	64,894	64,894	6,050
Contribution to rent	-	(103,000)	(103,000)	-
	38,495	1,824,986	1,863,481	1,036,735

Support costs total £1,863,481 (2015 - £1,036,735) of which £1,687,891 (2015 - £987,358) was unrestricted and £175,590 (2015 - £49,377) was restricted.

RASPBERRY PI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

10. GOVERNANCE COSTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Audit and accountancy fees	<u>38,495</u>	-	<u>38,495</u>	19,080

11. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned by the charitable group	217,950	108,519
Amortisation of intangible fixed assets: - owned by the charitable group	6,916	-
Operating lease expenditure - property	<u>225,920</u>	<u>158,000</u>

During the year, no Trustees received any remuneration (2015 - £nil).

During the year, no Trustees received any benefits in kind (2015 - £nil).

During the year, one Trustee received £2,876 reimbursement of expenses (2015 - £nil).

12. AUDITORS' REMUNERATION

	2016 £	2015 £
Fees payable to the company's auditor for the audit of the company's annual accounts	9,500	4,000
Fees payable to the company's auditor in respect of:		
The auditing of accounts of subsidiaries of the company	9,000	10,850
Taxation compliance services	<u>2,675</u>	<u>3,350</u>

RASPBERRY PI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
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13. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	2,900,922	1,580,805
Social security costs	301,440	170,183
Other pension costs	218,035	98,396
	3,420,397	1,849,384

The average monthly number of employees was 61 (2015: 28) and the average monthly number of employees during the year expressed as full time equivalents was as follows (including casual and part-time staff):

	2016	2015
	No.	No.
Company	36	10
Subsidiaries	25	18
	61	28

The number of higher paid employees was (including subsidiaries) 9 in 2016; 7 in 2015:

	2016	2015
	No.	No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	1	1
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	-	4
In the band £120,001 - £130,000	6	-
	10	8

Total company pension contributions for the higher paid employees in 2016 were £77,148 (2015 - £53,115)

All trustees and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Group are considered to be key management personnel. Total remuneration in respect of these individuals is £146,927 (2015: £95,565).

RASPBERRY PI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

14. INTANGIBLE FIXED ASSETS

	Intellectual Property £
GROUP	
Cost	
At 1 January 2016	-
Additions	41,499
At 31 December 2016	<u>41,499</u>
Depreciation	
At 1 January 2016	-
Charge for the year	6,916
At 31 December 2016	<u>6,916</u>
Net book value	
At 31 December 2016	<u>34,583</u>
At 31 December 2015	<u>-</u>

Amortisation of intangible fixed assets is included in trading expenditure.

The intellectual property has a remaining useful economic life of 1.67 years.

RASPBERRY PI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

15. TANGIBLE FIXED ASSETS

GROUP	Leasehold Property £	Plant and machinery £	Furniture and fittings £	Office and computer equipment £	Total £
COST					
At 1 January 2016	9,407	318,106	21,416	155,595	504,524
Additions	46,766	60,634	78,691	144,610	330,701
Reclassifications	-	-	12,990	(12,990)	-
Disposals	-	(20,625)	-	(3,550)	(24,175)
At 31 December 2016	56,173	358,115	113,097	283,665	811,050
DEPRECIATION					
At 1 January 2016	-	68,122	-	75,408	143,530
Charge for the year	14,938	110,157	30,276	62,579	217,950
Reclassifications	-	-	6,367	(6,367)	-
On disposals	-	(13,176)	-	(3,228)	(16,404)
At 31 December 2016	14,938	165,103	36,643	128,392	345,076
NET BOOK VALUE					
At 31 December 2016	41,235	193,012	76,454	155,273	465,974
At 31 December 2015	9,407	249,984	21,416	80,187	360,994

RASPBERRY PI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

15. TANGIBLE FIXED ASSETS (continued)

COMPANY	Leasehold Property £	Fixtures and fittings £	Office and computer equipment £	Total £
COST				
At 1 January 2016	9,407	21,416	23,484	54,307
Additions	46,766	78,691	40,170	165,627
Transfers in	-	12,990	39,260	52,250
Disposals	-	-	(950)	(950)
At 31 December 2016	<u>56,173</u>	<u>113,097</u>	<u>101,964</u>	<u>271,234</u>
DEPRECIATION				
At 1 January 2016	-	-	8,686	8,686
Charge for the year	14,938	30,276	19,680	64,894
Transfers in	-	6,367	28,723	35,090
On disposals	-	-	(628)	(628)
At 31 December 2016	<u>14,938</u>	<u>36,643</u>	<u>56,461</u>	<u>108,042</u>
NET BOOK VALUE				
At 31 December 2016	<u>41,235</u>	<u>76,454</u>	<u>45,503</u>	<u>163,192</u>
At 31 December 2015	<u>9,407</u>	<u>21,416</u>	<u>14,798</u>	<u>45,621</u>

RASPBERRY PI FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

16. FIXED ASSET INVESTMENTS

GROUP	Listed securities £
MARKET VALUE	
At 1 January 2016	2,954,540
Additions	3,000,000
Dividends received net of fees	114,732
Revaluations	472,727
At 31 December 2016	<u>6,541,999</u>

GROUP INVESTMENTS AT MARKET VALUE COMPRISE:

	2016 £	2015 £
Listed investments	<u>6,541,999</u>	<u>2,954,540</u>

All the fixed asset investments are held in the UK

COMPANY	Listed securities £	Shares in group undertakings £	Total £
MARKET VALUE			
At 1 January 2016	2,954,540	1	2,954,541
Additions	3,000,000	-	3,000,000
Dividends received net of fees	114,732	-	114,732
Revaluations	472,727	-	472,727
At 31 December 2016	<u>6,541,999</u>	<u>1</u>	<u>6,542,000</u>

RASPBERRY PI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

17. INVESTMENT IN SUBSIDIARY COMPANIES

Raspberry Pi Foundation has a wholly owned subsidiary, Raspberry Pi (Trading) Limited, which is incorporated in the UK. In the year to which these financial statements relate, Raspberry Pi (Trading) Limited has made donations by way of gift aid to Raspberry Pi Foundation of £6,000,000 (2015 - £3,500,000). A summary of the subsidiary's results is disclosed below. Audited accounts will be filed with the Registrar of Companies. The cost of the investment in the subsidiary is £1 (2015 - £1).

Profit and Loss Account for Trading

	2016 £	2015 £
Turnover	16,282,780	7,954,981
Cost of sales	<u>(3,178,825)</u>	<u>(1,450,863)</u>
Gross profit	13,103,955	6,504,118
Administration expenses	<u>(4,185,490)</u>	<u>(2,852,272)</u>
Operating profit	8,918,465	3,651,846
Interest receivable and similar income	<u>280</u>	<u>1,870</u>
Profit for the financial year	<u><u>8,918,745</u></u>	<u><u>3,653,716</u></u>

Balance Sheet

	2016 £	2015 £
Intangible fixed assets	34,583	-
Tangible fixed assets	302,782	296,018
Current assets	6,744,189	3,444,521
Current liabilities	<u>(1,730,344)</u>	<u>(1,308,074)</u>
Aggregate share capital and reserves	<u><u>5,351,210</u></u>	<u><u>2,432,465</u></u>

RASPBERRY PI FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

17. INVESTMENT IN SUBSIDIARY COMPANIES (continued)

In November 2015, the company acquired a new subsidiary, Code Club World, a company limited by guarantee incorporated in the UK. The cost of this investment in subsidiary was £nil.

The profit from Code Club World arising post combination included in the Consolidated Statement of Financial Activities in the prior year is £54,806.

At the date of combination, Code Club World's net assets were £225,248 and this has been treated as donation income in the Consolidated Statement of Financial Activities. Code Club World's net assets were as follows:

	£
Tangible fixed assets	21,332
Cash at bank and in hand	415,569
Other current assets	41,019
Current liabilities	<u>(252,672)</u>
Aggregate share capital and reserves as at date of combination	<u><u>225,248</u></u>

Prior to the date of combination in 2015 Raspberry Pi Foundation donated £150,000 to Code Club World.

In the year to which these financial statements relate, Code Club World has made donations by way of gift aid to Raspberry Pi Foundation of £419,809. The trade and assets were transferred into Raspberry Pi Foundation in April 2016.

A summary of the subsidiary's results is disclosed below.

Profit and Loss Account

	Year ended 31 December 2016 £
Turnover	435,770
Administration expenses	<u>(296,014)</u>
Profit for the financial year	<u><u>139,756</u></u>

Code Club World has no retained assets or liabilities at 31 December 2016 further to the transfer of all its activities into Raspberry Pi Foundation in April 2016. Code Club World activity for the period 1 January 2016 to April 2016 has been included within other trading activities and expenditure. From April 2016 onwards, post transfer of the activities into Raspberry Pi Foundation, the activity recognised within charitable activities, donations and grants.

Code Club World is currently in the process of a Members Voluntary Liquidation.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

18. STOCKS

	<u>GROUP</u>		<u>COMPANY</u>	
	2016 £	2015 £	2016 £	2015 £
Finished goods and goods for resale	2,690,666	623,124	-	-

The amount of stock recognised as an expense was £2,538,231 (2015 - £878,134).

19. DEBTORS

	<u>GROUP</u>		<u>COMPANY</u>	
	2016 £	2015 £	2016 £	2015 £
Trade debtors	2,069,566	1,376,109	174,000	-
Amounts owed by group undertakings	-	-	87,251	-
Other debtors	1,661,188	977,285	150,506	97,516
	3,730,754	2,353,394	411,757	97,516

**20. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>GROUP</u>		<u>COMPANY</u>	
	2016 £	2015 £	2016 £	2015 £
Trade creditors	1,061,523	905,729	79,928	126,833
Amounts owed to group undertakings	-	-	-	14,002
Other taxation and social security	537,588	446,479	46,084	22,955
Accruals and deferred income	324,830	403,127	154,839	135,667
	1,923,941	1,755,335	280,851	299,457

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

21. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
UNRESTRICTED FUNDS						
General funds	4,676,601	442,923	(2,248,586)	6,419,809	-	9,290,747
Revaluation reserve	(137,715)	-	-	-	472,727	335,012
Subsidiaries	2,487,269	16,713,500	(7,654,999)	(6,419,809)	-	5,125,961
	7,026,155	17,156,423	(9,903,585)	-	472,727	14,751,720
RESTRICTED FUNDS						
Google Tides	157,242	-	(157,242)	-	-	-
UK Space Agency	-	30,000	(30,000)	-	-	-
UKSA	-	20,000	(15,000)	-	-	5,000
Shell Centenary Scholarship Fund	-	100,000	(100,000)	-	-	-
Oracle Impact	59,352	-	(59,352)	-	-	-
Oracle weather station/resources	-	83,073	(83,073)	-	-	-
Canary Wharf Group plc	-	25,000	(25,000)	-	-	-
Google (expansion for girls)	-	24,000	(17,500)	-	-	6,500
Community Foundation serving Tyne & Wear and Northumberland	-	43,405	(14,468)	-	-	28,937
Mando Community Foundation	-	6,000	(6,000)	-	-	-
Google Tides (Alpha Go)	-	68,439	(68,439)	-	-	-
Worshipful Company of Information Technologists	-	10,000	(10,000)	-	-	-
British Council travel grant	-	252	(252)	-	-	-
	216,594	410,169	(586,326)	-	-	40,437
 Total of funds	 7,242,749	 17,566,592	 (10,489,911)	 -	 472,727	 14,792,157

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Google Tides

This restricted fund relates to a grant received for the provision of Picademy training courses.

UK Space Agency

This restricted fund relates to a grant received for the purpose of development of Astro Pi education resources.

UKSA

This restricted fund relates to a grant received to further the impact of Tim Peake's Principia mission through education and outreach projects

Shell Centenary Scholarship Fund

This restricted fund relates to a grant received to support the development of an educational programme to engage young people in computing and digital making.

Oracle Impact

This restricted fund relates to a grant received for the integration of Oracle software environment onto the Raspberry Pi platform.

Oracle Weather station/Resources

This restricted fund relates to a grant received to support the ongoing implementation of the weather station project and development of educational resources.

Canary Wharf Group plc

This restricted fund relates to a grant received to recruit a more diverse pool of volunteers in Tower Hamlets to support Code Club.

Google (expansion for girls)

This restricted fund relates to a grant received to help Code Club increase the number of children, especially girls, accessing Code Clubs across the UK.

The Platten Family Fund at the Community Foundation serving Tyne & Wear and Northumberland

This restricted fund relates to a grant received for the recruitment and training of computer science experts to train teachers in primary schools and to establish more Code Clubs in the North-East.

Mando Community Foundation

This restricted fund relates to a grant received to improve opportunities for children in Liverpool to become digital makers.

Google Tides (Alpha Go)

This restricted fund relates to a grant received to support the growth of the network of Raspberry Pi and Code Club around the world.

Worshipful Company of Information Technologists

This restricted fund relates to a grant received to fund the costs involved in supporting Code Club's volunteer engagement in London and the South-East of England.

British Council Travel Grant

This restricted fund relates to a grant received to fund an employee's travel to India.

Transfers

The transfers represent gifts of amounts from the company's subsidiaries to the company.

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22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Intangible fixed assets	34,583	-	34,583	-
Tangible fixed assets	465,974	-	465,974	360,994
Fixed asset investments	6,541,999	-	6,541,999	2,954,540
Current assets	9,633,105	40,437	9,673,542	5,682,550
Creditors due within one year	(1,923,941)	-	(1,923,941)	(1,755,335)
	<u>14,751,720</u>	<u>40,437</u>	<u>14,792,157</u>	<u>7,242,749</u>

**23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW
FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	7,549,408	2,787,775
Adjustment for:		
Depreciation charges	217,950	108,519
Amortisation charges	6,916	-
(Gains)/losses on investments	(472,727)	145,724
Dividends, interest and rents from investments	(130,694)	(87,905)
Loss on the sale of fixed assets	7,771	23,822
Increase in stocks	(2,067,542)	(502,225)
Increase in debtors	(1,377,360)	(233,516)
Increase in creditors	168,606	303,217
Gift on combination with Code Club World	-	(225,248)
Total	<u>3,902,328</u>	<u>2,320,163</u>

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	<u>3,252,122</u>	<u>2,706,032</u>

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25. PENSION COMMITMENTS

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £218,035 (2015 - £98,396). Contributions totalling £nil (2015 - £nil) were payable to the fund at the balance sheet date.

26. OPERATING LEASE COMMITMENTS

At 31 December 2016 the total minimum lease payments under non-cancellable operating leases are due in the following periods by the group:

GROUP	Land and buildings	
	2016	2015
	£	£
Within 1 year	225,920	158,000
Between 2 and 5 years	338,800	562,290
Total	564,720	720,290

At 31 December 2016 the total minimum lease payments under non-cancellable operating leases are due in the following periods by the charity:

COMPANY	Land and buildings	
	2016	2015
	£	£
Within 1 year	225,920	141,200
Between 2 and 5 years	338,800	562,290
Total	564,720	703,490

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27. OTHER FINANCIAL COMMITMENTS AND FINANCIAL ASSETS AND LIABILITIES

At 31 December 2016 the subsidiaries had capital commitments of £Nil (2015 - £Nil).

	2016	2015
	£	£
Financial assets measured at fair value through profit or loss	<u>6,541,999</u>	2,954,540
Financial assets measured at amortised cost	<u>6,794,549</u>	5,059,426
Financial liabilities measured at amortised cost	<u>1,385,050</u>	1,308,856

The Trustees' Report provides information regarding the identified financial risks and how these are managed.

28. RELATED PARTY TRANSACTIONS

During the year the charity reimbursed expenses of £2,876 (2015 - £nil) to Mr P B Lomas, a trustee. As at 31 December 2016, a balance of £nil (2015 - £nil) was payable to Mr P B Lomas.

During the year the charity reimbursed Olswang LLP's out-of-pocket costs relating to expenditure made by Olswang LLP to third parties on behalf of the company, amounting to £26,816 (2015 - £8,414). As at 31 December 2016, a balance of £nil (2015 - £2,142) was payable to Olswang LLP. Mr L Glass is a member of Olswang LLP.

The charity has benefited extensively from legal support from Olswang LLP. An estimate of £37,000 (2015 - £31,000) relating to legal services expertise is included as donated services being pro bono work completed in respect of which the Foundation would have otherwise been required to incur professional fees.

During the year one of the subsidiaries was invoiced contractor fees amounting to £nil (2015 - £1,050) by Mr M Cleevely, relative of Dr D D Cleevely, director. As at 31 December 2016, a balance of £nil (2015 - £1,050) was payable to Mr M Cleevely.

During the year one of the subsidiaries was invoiced £15,000 (2015 - £nil) by the London Stock Exchange Plc, of which Mrs S L Coutu is a director. As at 31 December 2016, a balance of £15,000 (2015 - £nil) was payable to the London Stock Exchange Plc.

FRS102 does not require disclosure of transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group. The company has utilised this exemption.

29. CONTROLLING PARTY

The company is limited by guarantee and it is not considered there is a controlling party.