

Summary of the Raspberry Pi Foundation Trustees Report and Financial Statements

FOR YEAR ENDING DECEMBER 31, 2016

2nd draft

About the Raspberry Pi Foundation

The Raspberry Pi Foundation is a registered charity whose aim is to “advance education of adults and children, particularly in the field of computers, computer science and related subjects.”

The foundation provides organizations with low-cost, high-performance computers and strives to make computing and digital-making more accessible through educational programs, resources and training. The foundation’s trading subsidiary, Raspberry Pi Trading Limited (also referred to as the company), creates and distributes Raspberry Pi products and reinvests sales revenue back into the charity to fund future outreach projects.

Strategy + Charity

Throughout 2016, the foundation moved away from donations as their main source of income and moved towards product revenue acquired through the activities of its subsidiary trading company. Indeed, net income for the foundation and company (together) totaled \$8.91 million, up 171 percent from \$3.29 million in 2015, and the company saw significant financial growth thanks to the release of new and revised Pi products. In fact, new and revised products bolstered income from \$9.38 million in 2015 to \$19.20 million, a 105 percent increase.

Due to the increased net income in the company, the foundation was able to greatly expand its educational outreach. Code Club, an organization which merged with the foundation in late 2015 and which teaches young children to code, saw significant growth in 2016 both in the size of their network as well as in the number of attendees. Other similar programs like Code Club, and new programs like Picademy which trains educators in areas of computer science, saw extensive growth and development.

Managing Growth Going Forward

Company expenditures increased alongside revenue, from \$5.29 million in 2015 to \$9.03 million in 2016, and while that’s an increase of 71 percent it looks sustainable thus far.

Additional expenditures are natural during periods of growth and can be attributed to increased production, new marketing efforts, new hires, wage increases, and growing administrative costs. The larger growth rate in revenue, over cost increases, suggests that the company is efficiently managing the transition from donations to product revenue as its main source of income, which is good since it will give the foundation more control over its revenue stream.