

Charity Registration No. 1096300

Company Registration No. 4297905 (England and Wales)

POLICY EXCHANGE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

POLICY EXCHANGE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Karan Bilimoria	
	Alexander Downer	
	Andrew Feldman	
	David Harding	
	Patricia Hodgson	
	Greta Jones	
	Andrew Law	
	Charlotte Metcalf	
	David Ord	
	Daniel Posen	(Appointed 29 June 2023)
	Andrew Roberts	
	William Salomon	
	Simon Wolfson	
	Nigel Wright	
Director	Dean Godson	
Charity number	1096300	
Company number	4297905	
Registered office	Acre House 11-15 William Road London United Kingdom NW1 3ER	
Auditor	HW Fisher LLP Acre House 11-15 William Road London United Kingdom NW1 3ER	
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP	
	Natwest Bank PLC 135 Bishopsgate London EC2M 3UR	

POLICY EXCHANGE LIMITED

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POLICY EXCHANGE LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The Trustees present their report and financial statements for the year ended 30 September 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The objects of Policy Exchange as set out in its Memorandum and Articles of Association are as follows:

The non partisan advancement of education in the economic, social and political sciences and their effect on public policy and the policy making process in the UK and the promotion and publication of objective research.

Policy Exchange is one of the UK's leading independent think tanks. As an educational Charity, our mission is to develop and promote new policy ideas which deliver better public services, a stronger society and a more dynamic economy for all.

The Trustees have considered the Charity Commission's guidance on public benefit and place a number of objectives at the heart of their strategic thinking when considering how best to discharge Policy Exchange's mission:

- Quality of research – the Trustees consider that the authority and credibility of Policy Exchange's research output must be of the highest standard in order to ensure that its work has maximum impact. Policy Exchange does not take commissions. Its research is independent and evidence-based, and draws upon a wide circle of academics, field specialists and practitioners in order to better inform its thinking and conclusions. The Charity recruits senior policy experts from the political, business and academic worlds and is proud of its research heads and advisers who are well established thought leaders in their respective fields.
- Dissemination of ideas – Policy Exchange makes use of a wide range of communication channels to reach as broad an audience as possible. Its communications strategy is constantly reviewed in order to take advantage of new developments and the Charity measures the quality and quantity of its audiences closely as it seeks to reach out to new audiences, both nationally and internationally. Policy Exchange's output takes the form of long and short written reports, comment pieces and articles for the national press, a lively programme of events (which are live streamed), interactive webinars, broadcast media interviews and set pieces. Social media platforms and the Charity's website are central to achieving its aims and Policy Exchange devotes significant and on going resources to keeping them fresh and lively.
- Two way dialogue with policy makers and opinion formers from across the political spectrum – Policy Exchange works closely with key decision makers and policy experts of all political stripes, with whom it also shares its reports and ideas. Impact is measured by the extent to which the Charity's work is able to influence policy change, to the benefit of the wider public.

POLICY EXCHANGE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Achievements and performance

Policy Exchange continues to make significant impact across its broad spectrum of research, publishing 58 reports across 18 policy areas during the year – ranging from policing to healthcare; immigration to housing; defence to debates on gender. The charity also continues to attract extensive engagement from prominent figures across the political spectrum, as well as world-leading experts and international Heads of State and policy makers.

This year saw the successful launch of two new policy units. The Prosperity Programme, headed by top economist Roger Bootle, seeks to identify policies to restore economic growth and raise household incomes. The Science and Technology Unit was relaunched under the patronage of former Science Minister Lord Willetts and aims to make the UK the global leader in scientific research and technology-led business. The unit launched its first report, *The Eight Great Technologies 10 Years On*, in June 2023.

Long-term strategic thinking remains at the heart of much of our work. The cross-unit report *Balancing the Books* examined how best to restore public finances and encourage economic growth in the UK. In a similar vein, the Housing, Architecture and Urban Regeneration Unit focused on the economic growth building 100,000 additional homes a year would bring, whilst also advancing its *Building Beautiful* programme through reports such as *A School of Place*. The Health and Social Care Unit continued to find ways in which to improve NHS services, including a major report on the interface between primary and secondary care in the NHS – *Medical Evolution*, while the Education Unit published a comprehensive report on *Reforming the Apprenticeship Levy*. Meanwhile, the Judicial Power Project pursued its programme of work on stopping the small boats and supported the passage of the *Illegal Migration Bill* through authoritative reports such as *Rule 39* and *the Rule of Law*. The Foreign Policy and Defence Unit, and the Extremism Unit, published the landmark report *The Iran Question and British Strategy*. The organisation has also continued to examine how to improve the culture and leadership in policing, with seminal reports such as *Tarnished Jewel*, which analyses the declining public order in the streets around Parliament.

As well as long-term research, Policy Exchange has responded to contemporary political events proactively for maximum impact. For example, a cross-unit report titled *The 'Just Stop Oil' Protests* was published in response to growing numbers of disruptive protests by the group.

The organisation has also successfully reported on key cultural and social questions of the day. The newly launched *Biology Matters* Unit published its groundbreaking report *Asleep at the Wheel* which fundamentally transformed the debate on gender in schools, as well as releasing its quarterly newsletters. *History Matters* also continued its successful newsletters, alongside publishing the influential report *The Elgin Marbles: Keep, Lend or Return?* by Sir Noel Malcolm, one of the world's leading scholars from All Souls College, Oxford. Meanwhile a series of papers have addressed more down-to-earth matters that impact everyday lives. This includes *Ticket to Save* on tax-free public transport incentives and *Litterbugs 2.0*, a follow-up to our first report on this subject almost fifteen years ago.

Policy Exchange's extensive research output is complemented by its dynamic events programme. The organisation hosted 66 events, both public and private, during this period, alongside its regular Business Forums. Through these events, Policy Exchange has built on its strong cross-party credentials, engaging with a range of prominent figures from both the Labour and Conservative parties, as well as leading scholars, experts, and professionals.

The events programme included high-profile keynote speeches on UK domestic issues. Wes Streeting MP, Shadow Secretary of State for Health and Social Care, delivered a keynote speech on doubling medical school places, whilst Rt Hon Chloe Smith MP, then Secretary of State for Work and Pensions, spoke on unleashing the full potential of the labour market. Our panel events also covered a vast breadth of topics including; the post-Brexit immigration system, university funding, fighting crime, energy security, free speech and vaccine development. We have hosted a range of world-leading experts and professionals including; Madeleine Sumption, Director of the Migration Observatory at the University of Oxford; Professor Sir Steve Smith, UK International Education Champion; Sir Mark Rowley QPM, Commissioner of the Metropolitan Police; Professor Dame Jenny Harries, Chief Executive, UK Health Security Agency; and Richard Hughes, Chair of the Office for Budget Responsibility. Our private Extremism Conference at Hatfield House in March was also a great success.

Our public events have involved appearances from 5 current Conservative ministers, and 3 current Labour Shadow ministers, as well as 5 former ministers (Labour and Conservative). This includes; Rt Hon Tom Tugendhat MBE MP, Minister for Security; Rt Hon Robert Jenrick MP, then Minister for Immigration; Wes Streeting MP, Shadow Secretary of State for Health and Social Care; Stephen Kinnock MP, Shadow Minister for Immigration; Rt Hon Ruth Kelly, former Secretary of State for Transport and Education; Rt Hon Priti Patel MP, former Home Secretary; and Rt Hon Sir Sajid Javid MP, former Secretary of State for Health and Social Care.

POLICY EXCHANGE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Achievements and Performance (continued)

The organisation has also continued to boost its role on the international policy stage, hosting discussions on global issues ranging from defence, to energy security, to extremism. Our public events have involved appearances from 14 prominent international figures from countries such as the USA, Australia, Italy, France and Indonesia. This includes Hon Scott Morrison, former Prime Minister of Australia; Rt Hon Lord Robertson of Port Ellen KT, former Secretary General of NATO; Lieutenant General Ben Hodges (USA, Ret.), former Commanding General, US Army Europe; and Jacques Audibert, former Foreign Policy Adviser to the Elysée. November saw two keynote speeches from high-profile international figures: Hon John Howard OM AC, former Prime Minister of Australia, discussed the challenges facing Modern Conservatism and US Senator Joni Ernst spoke on US Defence and Energy Security Policy after the Midterm Elections.

In addition to our programme of international speaker events, in September 2023, in partnership with The Hoover Institution, we held a Transatlantic Conference on Global Foreign Policy and Security, with a keynote speech from former US Secretary of State Condoleezza Rice. The conference exemplified Policy Exchange's unique cross party convening power with speakers including General Sir Nick Carter, former Chief of the Defence Staff; former US National Security Advisor Lt Gen H. R. McMaster; historian Lord Roberts of Belgravia, and audience members including serving Cabinet members as well as senior leading Labour Party figures.

As part of the organisation's commitment to supporting the international policy community, in April Policy Exchange awarded the Grotius Prize to Giorgia Meloni, President of the Council of Ministers of the Italian Government. The Prize – which was first awarded in 2020 – is awarded to world leaders in recognition of their work in support of the international rules-based order.

Further to our regular events programme, Policy Exchange continued to hold a jam-packed programme at both the Labour and Conservative Party conferences – our most successful conference season to date. At the Labour Party Conference 2022, Policy Exchange hosted panel discussions covering topics from Ukraine to healthcare to the digital economy. These panel events involved prominent Labour figures such as Rt Hon Lord Wood of Anfield (former Shadow Minister without Portfolio), along with 8 current Labour MPs including Luke Pollard MP, Shadow Minister for the Armed Forces; Rt Hon Jonathan Ashworth MP, then Shadow Secretary of State for Work and Pensions; and Rt Hon Nick Thomas-Symonds MP, then Shadow Secretary of State for International Trade.

At the Conservative Party Conference 2022, speakers included 5 Secretaries of State and 4 Ministers of State such as Rt Hon Brandon Lewis CBE MP, then Lord Chancellor and Secretary of State for Justice; Rt Hon Ben Wallace MP, then Secretary of State for Defence; Rt Hon Jacob Rees-Mogg MP, then Secretary of State for Business, Energy and Industrial Strategy; Rt Hon Kemi Badenoch MP, Secretary of State for International Trade and President of the Board of Trade; Rt Hon Michelle Donelan MP, then Secretary of State for Digital, Culture, Media and Sport.

Finally, to build greater engagement with our strong research and busy events programme, Policy Exchange launched a new website in October 2022. The new website presents an exciting profile of our work and allows members of the public to stay up to date with upcoming events.

Parliamentary Engagement

Over this period, Policy Exchange's work has continued to resonate with all main parties and across both Houses of Parliament. In practical terms, the organisation's research has been cited by cross-party parliamentarians 69 times from October 2022 to September 2023. This is in addition to ten appearances by Policy Exchange's subject experts in front of Select Committees to give Oral Evidence. Committee appearances across this period include sessions with the Foreign Affairs Select Committee, Education Select Committee, Joint Committee on Human Rights (twice), Work and Pensions Select Committee, Constitution Committee, and Women and Equalities Select Committee. The relevance of our research and the quality of the Written Evidence being submitted to Committee Inquiries is demonstrated by the frequency with which we have been called to give Oral Evidence.

POLICY EXCHANGE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Parliamentary Engagement (Continued)

Our work has been championed from the Despatch Box not only by backbenchers on both sides of the House, but also by Ministers. In December 2022 the then Housing Minister, Rt Hon Lucy Frazer KC MP cited our *Strong Suburbs* report; in January 2023 Labour's Shadow Home Affairs Spokesperson in the Lords, Lord Coaker referenced our work on public order; in May 2023, the Leader of the Opposition, Sir Keir Starmer KC MP raised the issues around the Apprenticeship Levy that Policy Exchange had highlighted in its report published that week; in June 2023 the then Lords Home Office Minister, Lord Murray of Blidworth cited our work during Committee Stage of the Illegal Migration Bill in the House of Lords. This was swiftly followed by the then Commons Immigration Minister, Rt Hon Robert Jenrick MP during a debate on population growth, and in July the then Pensions Minister, Guy Opperman MP referenced our work on apprenticeships. Examples of parliamentary mentions from backbenchers include those from Rt Hon Sir David Davis MP, Wera Hobhouse MP, Rt Hon Theresa Villiers MP, Lord Wolfson of Tredegar KC, Rt Hon Sir Mike Penning MP, Lord Carlile of Berriew CBE KC, Lord Faulks KC, Rt Hon Sir Simon Clarke MP, and Baroness Worthington to name a few.

Policy Exchange's work has also been at the centre of various Written Parliamentary Questions (WPs) during this period, with WPs from Labour's Rt Hon Jonathan Ashworth MP and Conservative Peers, Lord Shinkwin and Rt Hon Lord Blencathra all referencing Policy Exchange.

The House of Commons Library has frequently used Policy Exchange's output in its topical subject briefings for Parliamentarians ahead of parliamentary debates. Examples include the *Illegal Migration Bill*, *Tackling the Under Supply of Housing in England*, *The Secretary of State's Veto and the Gender Recognition Reform (Scotland) Bill*, *The Structure of the NHS in England*, and *The Definition of 'Sex' in the Equality Act 2010*.

Our research over this period has been endorsed by leading cross-party figures, including Rt Hon Michael Gove MP, Rt Hon Lord Blunkett, Rt Hon Sir Sajid Javid MP, Rt Hon Lord Campbell of Pittenweem CH CBE KC, Rt Hon Sir Brandon Lewis MP, Lord Glasman, Rt Hon Kemi Badenoch MP, Lord Carlile of Berriew CBE KC, Rt Hon Priti Patel MP, Rt Hon Lord Strathclyde CH PC, Lord Sumption KC and Rosie Duffield MP.

Media and Digital Outreach

Policy Exchange's output was featured widely across the media between October 2022 to September 2023. Some highlights from over the year are listed below.

In October 2022, Policy Exchange made the case that the Government should adopt a three-part approach to restoring the public finances, saving up to £25bn annually in our report *Balancing the Books: Charting a credible path to fiscal responsibility*. Policy Exchange's intervention was covered widely across the press, with articles in *The Times*, the *Daily Telegraph*, *The Sun* and the i. Robert Peston also presented the paper live on his ITV television show. The report was covered on the Today programme on BBC Radio 4, the breakfast show on LBC, *The Daily Telegraph* and Politico's *London Playbook* newsletter.

Over Christmas the publication of 'A School of Place: How a New School of Architecture can Revitalise Britain's Built Environment' (2022) was featured on the front page of the *The Daily Telegraph* and widely covered throughout the press, with articles in the *The Times*, the *Daily Mail*, *The Sun*, the *Independent*, the *Daily Express*, the *Evening Standard*, *City A.M.*, *Playbook* and the *Yorkshire Post*. It also featured on the BBC Radio 4 news bulletins and the report's author, Ike Ijeh, was interviewed on Sky News.

This was followed by a number of high-profile reports in the New Year. These included a key intervention demonstrating that the Scottish National Party's (SNP) Gender Recognition Reform Bill, which aimed to change the law regulating legal sex change for those born or resident in Scotland, would fundamentally alter the law relating to equal opportunities across the United Kingdom. The report was covered widely in the press, with articles in *The Times*, *The Daily Telegraph*, the *Daily Mail*, *The Sun*, the *Daily Express*, the *Independent*, the i and an op-ed in *The Spectator*. There was also extensive pick up in the Scottish press, with news reports in *The Scotsman*, the *Herald*, the *Scottish Daily Express*, the *National*, *Holyrood*, and *Scottish Legal News*.

POLICY EXCHANGE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Media and Digital Outreach (Continued)

Another report demonstrating that delivering an additional 100,000 new homes each year could add £17.7 billion to the UK economy – the equivalent of over £600 per household – gained coverage in the *Daily Mail*, *The Sun*, the *Daily Express*, the *Daily Mirror*, the *i*, *City A.M.*, Politico's Playbook and Guido Fawkes. Rt Hon Sir Brandon Lewis also wrote an op-ed in support of the report in the *Daily Express*, while the report's author, Policy Exchange's Research Fellow James Vitali had an article published on Conservative Home.

Policy Exchange's Health and Social Care Unit received strong coverage in June with the launch of *Evolution: Measures to improve the interface between primary and secondary care*. The report's findings were covered in the *Daily Mail*, *The Sun*, *The Daily Telegraph* and *Playbook* as well as key trade publications, *GP Online* and *Pulse*.

In July 2023, a new report with authors including Sir John Jenkins, former Ambassador to Saudi Arabia, and Air Marshal Edward Stringer, one of the military's leading strategic thinkers, was published. There were articles in *The Times*, the *Daily Mail*, *The Guardian*, *Playbook* and *Iran International*. Sir John Jenkins also wrote an op-ed in *The Daily Telegraph* in support of the paper.

Policy Exchange continued to enjoy a strong presence online, with a large following on Twitter and YouTube – where thousands of people have joined PX events virtually.

Policy Impact

Policy Exchange's work has had impact across the full gamut of the policy areas we cover, from public services to foreign policy, and from transport to culture.

The Biology Matters Unit has transformed the national debate on gender. Our landmark report, *Asleep at the Wheel*, revealed that fewer than half of schools were reliably informing parents about their children's wish to change gender, and is still cited as the definitive piece of work in this area. The Prime Minister and Leader of the Opposition both released statements responding to the report, which has led to the issuance of new Trans guidance for schools and new guidance on teaching Relationship and Sex Education.

A significant mark of impact in the transport sector was the Prime Minister's decision to cancel the northern leg of High Speed 2 – an argument that had been made and costed in Policy Exchange's report, *The Kindest Cut of All*. National media repeatedly referenced Policy Exchange's influence in informing the decision.

Our report *Double Vision*, launched by Shadow Health Secretary Wes Streeting, provided a road-map to deliver Labour's commitment to double the number of medical school places. Its recommendations were subsequently largely adopted by the Government in the NHS Workforce Plan, with the first tranche of new medical students due to begin in September 2024. Our Health Unit has seen a wide range of other recommendations implemented, including on the interface between primary and secondary care and on vaccines, while our report *Reforming the Apprenticeship Levy*, with a foreword by Lord Blunkett, has recommendations that are reflected both in subsequent Government reforms and Labour's commitments.

Policy Exchange's Judicial Power Project has informed legislative amendments and been repeatedly cited in Parliamentary debates on immigration legislation, including on the Bills concerning the Rwanda plan.

Our work on Foreign Policy continues to be highly influential, most notably our work on the Windsor Agreement, led by our Director, Lord Godson. We hosted the Prime Minister of Italy, Georgia Meloni, to award her the Grotius Prize in recognition of her outstanding support of the rules-based international order against Russia in Ukraine. Our work on national security and defence, led by Air Marshal Edward Stringer (retd) has informed the defence policies of both Labour and the Conservatives, while our report, *The Iran Question and British Strategy*, has gained new relevance with increased tensions in the Middle East.

Our Reengineering Regulation project published a report, *An A-Z of Reform*, identifying 26 specific regulations for improvement. Half of these have since been either adopted or are being consulted on by Government. Meanwhile our housing programme goes from strength to strength, combining the twin aims of *Building More* and *Building Beautiful*. Reports including *Homes for Growth* and *Better Places: The Place-Making Matrix* have been widely cited, and their content has been reflected in both Opposition speeches and Government plans for housing reform.

POLICY EXCHANGE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Future Plans

After another successful year, Policy Exchange will seek to build upon its position as the UK's most impactful think tank by continuing groundbreaking policy research and developing strong connections with figures across the domestic and international political spectrum.

Policy Exchange will continue to work on key domestic policy areas such as policing, immigration, and healthcare reform, as well as working on newer areas such as the politicisation of business, and improving the culture and organisation of the civil service. This will come alongside work on global issues such as defence policy, the influence of extremist ideologies, and international law.

Policy Exchange will kick-start a sustained programme of work on economic growth, with papers focusing on property owning democracy, industrial strategy, housing and the economics of crime and tax.

Fundraising

Policy Exchange relies on the support of a broad spread of regular donors for its work. Fundraising for specific research and events is done on a project by project basis, according to Policy Exchange's own research priorities, and its editorial independence is a precondition of any engagement with donors. Policy Exchange does not work with any external professional fundraisers or employ any large scale targeted fundraising activities and therefore does not participate in any fundraising regulatory schemes, relying instead on the quality of its research and its proven track record of effecting policy change, in order to attract support for its on going work. Fundraising costs incurred by the Charity during the year mainly comprise salaries.

Financial review

The results for the year and financial position of the Charity are set out in the annexed financial statements.

Policy Exchange recorded a surplus of £186,144 on income of £4,021,337 (2022: 3,951,594). Costs increased to £3,835,193 compared with £3,717,046 the previous year, reflecting higher salary costs and an expanded events and party conference programme.

Reserves Policy

The Trustees recognise the need to hold reserves and allow for seasonal or other fluctuations in donations and/or expenditure.

Total reserves at 30 September 2023 stood at £2,555,185 of which £270,718 was restricted.

The Trustees review carefully the level of reserves and aim to keep an amount of unrestricted reserves equivalent to between four and six months' regular operating costs in order to manage any unexpected shocks. At £2,284,467, unrestricted reserves at 30 September 2023 comfortably exceeded this requirement and the Trustees are therefore satisfied that the Charity's reserves are sufficient.

Structure, governance and management

Policy Exchange is a registered charity, number 1096300, and is constituted as a Charitable Company limited by guarantee governed by its Memorandum and Articles of Association dated 9 November 2001 and revised on 3 May 2011. The company was registered as a charity with the Charity Commission of England and Wales on 3 March 2003.

The Trustees, who are also Members of the Charity, serve a four year term before being required to seek re-election. None of the Trustees has any beneficial interest in the Company. The Trustees delegate the day-to-day running of the Charity to the Senior Management Team. The Senior Management Team makes quarterly reports to the Board of Trustees on any significant matters across all areas of the Charity, including changes in staff, policy research and financial issues. The Board of Trustees is responsible for making major decisions of a strategic nature with regard to both Policy Exchange Ltd and its trading subsidiary Policy Exchange Events Ltd.

A separate Risk and Remuneration Committee, comprising three Trustees who also serve on the Main Board, meets annually – or more often if required – to review the major risks which might threaten the successful operation of the Charity. Matters around pay and compensation for the Charity's Director are also part of the Committee's remit, which reports directly to the Chairman of Trustees at the relevant meeting of the Full Board of Trustees.

POLICY EXCHANGE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Structure, Governance and management (continued)

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Karan Bilimoria	
Pamela Dow	(Retired 20 May 2024)
Alexander Downer	
Andrew Feldman	
David Harding	
Patricia Hodgson	
Greta Jones	
Andrew Law	
Charlotte Metcalf	
David Ord	
Roger Orf	(Retired 16 March 2023)
Daniel Posen	(Appointed 29 June 2023)
Andrew Roberts	
Robert Rosenkranz	(Retired 29 August 2023)
William Salomon	
Peter Wall	(Retired 16 March 2023)
Simon Wolfson	
Nigel Wright	

Risk Management

The Risk and Remuneration Committee identified two particular on-going operational risks for consideration:

- Upholding the rigour and integrity of Policy Exchange's research and event programme. The Trustees recognise that Policy Exchange's reputation for achieving policy impact depends on the quality and depth of its research output. In order to maintain its high standards and record of policy impact, Policy Exchange has developed robust internal systems for conducting its research activities. Individual research programmes are set by the programme heads and are regularly reviewed by the Senior Management Team and, where necessary, by the Board of Trustees. Projects must go through a rigorous internal approval process before being allowed to proceed. Questions of independence, balance and impact are considered alongside the detail of the research itself. Researchers are encouraged to consult widely and Policy Exchange has developed extensive specialist networks with academics, field specialists and Government departments in order to better inform its work and assist with peer review. Emphasis is placed on ensuring that policy recommendations are evidence-based and implementable.
- Financial Risk associated with dips in income. The reserves policy laid out above is intended to provide a cushion against financial volatility, but in addition Policy Exchange continues to pursue a policy of encouraging unrestricted donations for its day to day work, giving it increased flexibility to allocate funds as needed.

Appointment and Training of Trustees

Trustees may, from time to time, and at any time, appoint any person to be a Trustee at any of the Quarterly Board Meetings.

All Trustees have successful track records in the fields of journalism, commerce, the arts, the armed services, academia or government. Each one has experience in participating in formal committee structures and understands the responsibilities of acting as a trustee for a charitable organisation. All new Trustees are given the opportunity to spend time with management to familiarise themselves with the operations and understand the key issues that surround the organisation.

Auditor

HW Fisher LLP were appointed auditors to the company, a resolution proposing that they be re-appointed will be put to the members.

POLICY EXCHANGE LIMITED

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Disclosure of information to auditor

So far as each person who was a trustee 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 Trustees individually have taken all the necessary steps that they ought to have taken as Trustees in order to make themselves aware of all relevant audit information and to establish that the Charity's auditor is aware of that information.

The Trustees' report was approved by the Board of Trustees.

...William Salomon.....

William Salomon

Trustee 27 Jun 2024

Dated:

POLICY EXCHANGE LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The Trustees, who are also the directors of Policy Exchange Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

POLICY EXCHANGE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF POLICY EXCHANGE LIMITED

Opinion

We have audited the financial statements of Policy Exchange Limited (the 'Charity') for the year ended 30 September 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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 FRS 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 charitable company's affairs as at 30 September 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Charity 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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 Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

POLICY EXCHANGE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF POLICY EXCHANGE LIMITED

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable 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.

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011 and Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which presents a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

POLICY EXCHANGE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF POLICY EXCHANGE LIMITED

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the Trustees' Minutes for discussions of irregularities including fraud.
- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Obtaining third-party confirmation of material bank balances.
- Testing key income lines, in particular cut off, for evidence of management bias.
- Performing physical verification of tangible fixed assets
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted, designated and restricted funds

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the accounts even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

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 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

HW Fisher LLP

Russell Nathan (Senior Statutory Auditor)
for and on behalf of HW Fisher LLP

Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom
27 Jun 2024
.....

POLICY EXCHANGE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Current financial year

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
	Notes					
<u>Income and endowments from:</u>						
Donations, gifts and grants	3	1,654,923	-	1,806,225	3,461,148	3,419,862
Incoming resources from charitable activities	4	467,350	-	-	467,350	329,500
Trading income	5	70,835	-	-	70,835	111,083
Investments	6	21,745	-	-	21,745	1,239
Other income	7	259	-	-	259	89,910
Total income		2,215,112	-	1,806,225	4,021,337	3,951,594
<u>Expenditure on:</u>						
Raising funds	8	262,468	-	-	262,468	213,091
Research	9	1,590,006	-	1,982,719	3,572,725	3,503,955
Total resources expended		1,852,474	-	1,982,719	3,835,193	3,717,046
Net income/(expenditure) for the year/ Net movement in funds		362,638	-	(176,494)	186,144	234,548
Fund balances at 1 October 2022		1,821,829	100,000	447,212	2,369,041	2,134,493
Fund balances at 30 September 2023		2,184,467	100,000	270,718	2,555,185	2,369,041

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

POLICY EXCHANGE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Prior financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes				
<u>Income and endowments from:</u>					
Donations, gifts and grants	3	2,060,289	-	1,359,573	3,419,862
Incoming resources from charitable activities	4	329,500	-	-	329,500
Trading income	5	111,083	-	-	111,083
Investments	6	1,239	-	-	1,239
Other income	7	89,910	-	-	89,910
Total income		2,592,021	-	1,359,573	3,951,594
<u>Expenditure on:</u>					
Raising funds	8	213,091	-	-	213,091
Research	9	1,821,843	-	1,682,112	3,503,955
Total resources expended		2,034,934	-	1,682,112	3,717,046
Net income/(expenditure) for the year/ Net movement in funds		557,087	-	(322,539)	234,548
Fund balances at 1 October 2021		1,264,742	100,000	769,751	2,134,493
Fund balances at 30 September 2022		1,821,829	100,000	447,212	2,369,041

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

POLICY EXCHANGE LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		301,101		345,954
Investments	14		2		2
			<u>301,103</u>		<u>345,956</u>
Current assets					
Debtors	16	370,443		329,035	
Cash at bank and in hand		2,633,731		2,350,292	
		<u>3,004,174</u>		<u>2,679,327</u>	
Creditors: amounts falling due within one year	17	(750,092)		(656,242)	
Net current assets			2,254,082		2,023,085
Total assets less current liabilities			<u>2,555,185</u>		<u>2,369,041</u>
Income funds					
Restricted funds	19		270,718		447,212
Unrestricted funds					
Designated funds	20	100,000		100,000	
General unrestricted funds		2,184,467		1,821,829	
		<u>2,284,467</u>		<u>1,921,829</u>	
			<u>2,555,185</u>		<u>2,369,041</u>

27 Jun 2024

The financial statements were approved by the Trustees on

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William Salomon
 William Salomon
 Trustee

Company Registration No. 4297905

POLICY EXCHANGE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	24		271,875		518,538
Investing activities					
Purchase of tangible fixed assets		(10,181)		(375,239)	
Investment income received		21,745		1,239	
Net cash generated from/(used in) investing activities			11,564		(374,000)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			283,439		144,538
Cash and cash equivalents at beginning of year			2,350,292		2,205,754
Cash and cash equivalents at end of year			2,633,731		2,350,292

POLICY EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 Accounting policies

Charity information

Policy Exchange Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Acre House, 11-15 William Road, London, NW1 3ER, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

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

Consolidated accounts have not been prepared as the inclusion of Policy Exchange Events Limited, the charity's only subsidiary, in a set of consolidated accounts would not be material for the purposes of giving a true and fair view

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

1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

POLICY EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 Accounting policies

(Continued)

1.5 Resources expended

Expenditure is recognised on an accruals basis, exclusive of value added tax.

Costs of generating funds are those costs incurred in attracting voluntary income, in particular grant funding and the costs of maintaining the company's profile within the sector.

Expenditure relating to research and events activities are those elements of expenditure directly incurred in performing these activities.

Governance costs include those costs incurred in the governance of the company and are primarily associated with constitutional and statutory requirements.

Support costs have been allocated in full to the single charitable activity - Research.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Short leasehold	Over the life of the lease
Computer equipment	3 years straight line
Fixtures, fittings & equipment	5 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs. Investments are subsequently held at cost less any impairments.

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Financial instruments

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

The charity only has assets and liabilities of a kind that qualify as basic financial instruments. These financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.10 Employee benefits

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 Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

POLICY EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1 Accounting policies

(Continued)

1.11 Retirement benefits

The Charity operates a defined contributions stakeholder pension scheme. Contributions are charged in the financial statements as they become payable in accordance with the rules of the scheme.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.13 Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities.

2 Critical accounting estimates and judgements

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

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

There were no critical accounting estimates and judgements.

3 Donations, gifts and grants

	Unrestricted funds general 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	1,654,923	1,806,225	3,461,148	2,060,289	1,359,573	3,419,862

4 Incoming resources from charitable activities

	Corporate events 2023 £	Corporate events 2022 £
Sales within charitable activities	467,350	329,500

POLICY EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

5 Trading income

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Business forum and book sales	70,835	111,083

6 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	21,745	1,239

7 Other income

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Other income	259	45,502
Rental income	-	44,408
	259	89,910

8 Raising funds

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
<u>Costs of generating voluntary income</u>		
Staging fundraising events	55,957	47,693
Other fundraising costs	19,960	7,388
Staff costs	186,551	158,010
	262,468	213,091

POLICY EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

9 Research

	2023 £	2022 £
Staff costs	1,624,228	1,269,024
Professional fees, research and events	962,828	1,035,554
Publications, printing and postage	10,570	20,330
Travel and subsistence	45,509	36,140
Premises	-	360,000
Website and IT support	55	38,755
Other costs	316	192,657
	<u>2,643,506</u>	<u>2,952,460</u>
Share of support costs (see note 10)	904,100	530,041
Share of governance costs (see note 10)	25,119	21,454
	<u>3,572,725</u>	<u>3,503,955</u>
Analysis by fund		
Unrestricted funds - general	1,590,006	1,821,843
Restricted funds	1,982,719	1,682,112
	<u>3,572,725</u>	<u>3,503,955</u>

10 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Staff costs	90,296	-	90,296	90,394	-	90,394
Depreciation	55,034	-	55,034	63,930	-	63,930
Other costs	390,640	-	390,640	348,822	-	348,822
Premises	368,130	-	368,130	26,895	-	26,895
Audit fees	-	25,119	25,119	-	21,454	21,454
	<u>904,100</u>	<u>25,119</u>	<u>929,219</u>	<u>530,041</u>	<u>21,454</u>	<u>551,495</u>
Analysed between						
Charitable activities	904,100	25,119	929,219	530,041	21,454	551,495

Governance costs include payments to the auditors of £17,500 (2022: £15,800) for audit fees and £7,619 (2022: £5,654) for other services. Included within premises costs is an expense for £288,040 (2022: £243,056) for lease payments.

POLICY EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

11 Trustees

No Trustees received benefits or have been paid any remuneration (2022- none received) from the Charity during the year.

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Research	17	18
Fundraising	2	2
Administration	8	4
Total	27	24

Employment costs

	2023 £	2022 £
Wages and salaries	1,641,052	1,427,034
Social security costs	194,288	39,029
Other pension costs	65,735	51,365
	1,901,075	1,517,428

The key management personnel of the charity comprises the trustees, the Director, the Managing Director and the Director of Research. The trustees do not receive any remuneration. Remuneration of key management personnel amounted to £301,750 (2022: £466,667) in the year.

The number of employees whose annual remuneration was £60,000 or more were:

	2023 Number	2022 Number
60,000 - 69,999	3	-
80,000 - 89,999	-	1
90,000 - 99,999	3	-
110,000 - 119,999	1	2
120,000 - 129,999	1	1

Contributions totalling £43,288 (2022: £30,017) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

POLICY EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

13 Tangible fixed assets

	Short leasehold	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 October 2022	321,730	92,613	87,627	501,970
Additions	-	2,096	8,085	10,181
At 30 September 2023	321,730	94,709	95,712	512,151
Depreciation and impairment				
At 1 October 2022	28,468	71,444	56,104	156,016
Depreciation charged in the year	32,659	12,812	9,563	55,034
At 30 September 2023	61,127	84,256	65,667	211,050
Carrying amount				
At 30 September 2023	260,603	10,453	30,045	301,101
At 30 September 2022	293,262	21,169	31,523	345,954

14 Fixed asset investments

	Investment in subsidiary
	£
Cost or valuation	
At 1 October 2022 & 30 September 2023	2
Carrying amount	
At 30 September 2023	2
At 30 September 2022	2

POLICY EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

15 Subsidiaries

Details of the Charity's subsidiaries at 30 September 2023 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
Policy Exchange Events Limited	United Kingdom Conference/administration services	Ordinary	100.00	-

These financial statements are separate Charity financial statements for Policy Exchange Limited.

16 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	122,400	125,200
Other debtors	16,354	46,884
Prepayments and accrued income	231,689	156,951
	<u>370,443</u>	<u>329,035</u>

17 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	67,313	79,061
Trade creditors	204,270	216,652
Other creditors	11,158	14,826
Accruals and deferred income	467,351	345,703
	<u>750,092</u>	<u>656,242</u>

Total deferred income at the year end amounted to £228,000 (2022: £86,626). At the start off the year , Total deferred income was £86,626 (2022 : £144,726). £86,626 was released to income within the year (2022 £ 144,726). £228,000 (£86,626) was deferred within the year . This amount represents income for subscriptions, donations and conference income that relate to future accounting periods and will be shown in the next financial year.

18 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £64,633 (2022 - £51,365).

POLICY EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

19 Restricted funds

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

	Movement in funds			Movement in funds			
	Balance at 1 October 2021	Incoming resources	Resources expended	Balance at 1 October 2022	Incoming resources	Resources expended	Balance at 30 September 2023
	£	£	£	£	£	£	£
Economics	-	72,000	(72,000)	-	358,500	(358,500)	-
Security and Extremism	-	343,750	(343,750)	-	316,975	(316,975)	-
Education	165,428	237,092	(147,849)	254,671	90,000	(161,426)	183,245
Crime and Justice	8,372	-	(8,372)	-	-	-	-
Environment and energy	253,211	50,000	(189,491)	113,720	20,000	(133,720)	-
Directors	216,000	63,061	(279,061)	-	581,500	(566,416)	15,084
Wolfson Economics Prize	21,191	404,666	(425,857)	-	-	-	-
Immigration, Integration and Demography	105,549	-	(26,728)	78,821	20,000	(26,432)	72,389
Health and Social Policy	-	146,504	(146,504)	-	69,000	(69,000)	-
Foreign Policy	-	42,500	(42,500)	-	350,250	(350,250)	-
	<u>769,751</u>	<u>1,359,573</u>	<u>(1,682,112)</u>	<u>447,212</u>	<u>1,806,225</u>	<u>(1,982,719)</u>	<u>270,718</u>

Restricted funds relate to research projects undertaken with regard to all public policy areas. A typical research project will include detailed research, a written report or note, and related event(s).

POLICY EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

20 Designated funds

The income funds of the charity include designated funds comprising the following unexpended balances held for specific purposes:

	Movement in funds		Movement in funds		
	Balance at 1 October 2021	Incoming resources	Balance at 1 October 2022	Incoming resources	Balance at 30 September 2023
	£	£	£	£	£
Core maintenance	100,000	-	100,000	-	100,000
	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>

Core funds are to be used in relation to core projects including premises expenses and website and IT upgrades.

Transfers from designated funds represents the overspend on the research funds being covered by the designated funds.

POLICY EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

21 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 30 September 2023 are represented by:								
Tangible assets	301,101	-	-	301,101	345,954	-	-	345,954
Investments	2	-	-	2	2	-	-	2
Current assets/(liabilities)	1,883,364	100,000	270,718	2,254,082	1,475,873	100,000	447,212	2,023,085
	<u>2,184,467</u>	<u>100,000</u>	<u>270,718</u>	<u>2,555,185</u>	<u>1,821,829</u>	<u>100,000</u>	<u>447,212</u>	<u>2,369,041</u>

POLICY EXCHANGE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

22 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under a non-cancellable operating lease, which fall due as follows:

	2023 £	2022 £
Within one year	278,375	278,375
Between two and five years	1,391,875	1,391,875
In over five years	580,393	858,768
	<u>2,250,643</u>	<u>2,529,018</u>

23 Related party transactions

The total donations recognised as income in the year from the charity's trustees and related parties amounted to £1,297,750 (2022: £996,964).

24 Cash generated from operations

	2023 £	2022 £
Surplus for the year	186,144	234,548
Adjustments for:		
Investment income recognised in statement of financial activities	(21,745)	(1,239)
Depreciation and impairment of tangible fixed assets	55,034	63,930
Movements in working capital:		
(Increase)/decrease in debtors	(41,408)	229,934
Increase/(decrease) in creditors	93,850	(8,635)
Cash generated from operations	<u>271,875</u>	<u>518,538</u>

25 Analysis of changes in net funds

The Charity had no debt during the year.



Issuer HW Fisher

Document generated Thu, 27th Jun 2024 11:42:55 UTC

Document fingerprint f94d05526f1543f4cfde9c81619c8f20

Parties involved with this document

Document processed	Party + Fingerprint
Thu, 27th Jun 2024 15:29:22 UTC	William Salomon - Signer (f2a0eae1bb9e6dfb68f8b05432cf5f81)
Thu, 27th Jun 2024 19:57:06 UTC	Russell Nathan - Signer (42b8071768624abb257f38531b9ebbdd)

Audit history log

Date	Action
Thu, 27th Jun 2024 11:42:55 UTC	Envelope generated by Stephen Best185.105.75.177
Thu, 27th Jun 2024 11:42:55 UTC	Document generated with fingerprint 3839d8a9423db18f311ebaba1474ecc9185.105.75.177
Thu, 27th Jun 2024 11:42:56 UTC	Document generated with fingerprint 9f9b1b927e409c598e1e2680930a71aa185.105.75.177
Thu, 27th Jun 2024 12:08:38 UTC	Document generated with fingerprint f94d05526f1543f4cfde9c81619c8f20185.105.75.177
Thu, 27th Jun 2024 14:09:25 UTC	Document generated with fingerprint 168e9635f192e2424634e56c2da68481185.105.75.177
Thu, 27th Jun 2024 14:12:11 UTC	Document generated with fingerprint 60cda0daf01be909ac2c102598481df2185.105.75.177
Thu, 27th Jun 2024 14:15:22 UTC	Document generated with fingerprint 4e6886fc7760fab30680fc946ac3f4d9185.105.75.178
Thu, 27th Jun 2024 14:18:36 UTC	Document generated with fingerprint aaacaa3ae0b7106f6bf53de194422d25185.105.75.178
Thu, 27th Jun 2024 14:20:06 UTC	Sent the envelope to William Salomon (WSalomon@hansacap.com) for signing185.105.75.177
Thu, 27th Jun 2024 14:20:06 UTC	Document emailed to WSalomon@hansacap.com3.10.215.81
Thu, 27th Jun 2024 15:05:12 UTC	William Salomon opened the document email.145.224.65.206
Thu, 27th Jun 2024 15:05:12 UTC	William Salomon opened the document email.145.224.65.206
Thu, 27th Jun 2024 15:06:51 UTC	William Salomon opened the document email.145.224.65.206
Thu, 27th Jun 2024 15:28:32 UTC	William Salomon opened the document email.148.252.145.143

Thu, 27th Jun 2024 15:28:35 UTC	William Salomon viewed the envelope148.252.145.143
Thu, 27th Jun 2024 15:29:22 UTC	William Salomon signed the envelope148.252.145.143
Thu, 27th Jun 2024 15:29:22 UTC	Sent the envelope to Russell Nathan (rnathan@hwfisher.co.uk) for signing148.252.145.143
Thu, 27th Jun 2024 15:29:22 UTC	Document emailed to rnathan@hwfisher.co.uk35.178.232.54
Thu, 27th Jun 2024 15:29:22 UTC	William Salomon viewed the envelope148.252.145.143
Thu, 27th Jun 2024 15:29:30 UTC	William Salomon opened the document email.148.252.145.143
Thu, 27th Jun 2024 15:30:26 UTC	William Salomon opened the document email.41.180.248.130
Thu, 27th Jun 2024 15:31:43 UTC	William Salomon opened the document email.41.180.248.130
Thu, 27th Jun 2024 15:31:47 UTC	William Salomon opened the document email.41.180.248.130
Thu, 27th Jun 2024 15:33:08 UTC	William Salomon opened the document email.41.180.248.130
Thu, 27th Jun 2024 15:33:15 UTC	William Salomon viewed the envelope41.180.248.130
Thu, 27th Jun 2024 15:33:21 UTC	William Salomon opened the document email.41.180.248.130
Thu, 27th Jun 2024 15:33:44 UTC	William Salomon opened the document email.41.180.248.130
Thu, 27th Jun 2024 15:34:35 UTC	William Salomon opened the document email.41.180.248.130
Thu, 27th Jun 2024 15:41:15 UTC	William Salomon opened the document email.41.180.248.130
Thu, 27th Jun 2024 19:56:49 UTC	Russell Nathan opened the document email.86.153.78.244
Thu, 27th Jun 2024 19:56:49 UTC	Russell Nathan opened the document email.86.153.78.244
Thu, 27th Jun 2024 19:56:51 UTC	Russell Nathan viewed the envelope86.153.78.244
Thu, 27th Jun 2024 19:57:06 UTC	Russell Nathan signed the envelope86.153.78.244
Thu, 27th Jun 2024 19:57:06 UTC	This envelope has been signed by all parties86.153.78.244
Thu, 27th Jun 2024 19:57:07 UTC	Russell Nathan viewed the envelope86.153.78.244
Thu, 27th Jun 2024 20:06:58 UTC	Russell Nathan viewed the envelope86.153.78.244