

ASHOKA UK

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2020

Charity registration number: 1113246
Company registration number: 04903565

Ashoka UK

Trustees and Country Directors' Welcome

Year Ended 31 August 2020

From outliers to leaders to everyone

We find ourselves writing these words in unprecedented times. The global Coronavirus pandemic, the Black Lives Matter protests as well as other movements like the Friday for the Future marches that mobilised millions of young people this year are all an outcry and symptom of social and environmental injustice. This has been deeply rooted in society for too long. These movements have taught us that government alone is not enough. Neither are single individuals. To achieve collective impact between government, individuals and businesses, civic society has stepped up. Today, we are at a crossroads and time will tell whether civic society will surface as stronger or weaker. Our role is to strengthen it and to ensure that the values which have prevailed against the backdrop of our global challenges will last – and actively shape our society.

Ashoka has spent 40 years supporting social entrepreneurs who have been using the tools of innovation and entrepreneurship to fix broken social and environmental systems. Originally outliers, these leading innovators have emerged between the cracks of the traditional institutions of government, NGOs and businesses, and have become inspiring agents for change.

Whilst Ashoka has been supporting its Fellows over the last four decades, we have also seen a profound transformation in the dynamics of the world around them. Change began to accelerate. What used to take centuries now takes decades, and what used to take decades now takes years. Trying to fix broken systems involves new challenges to embrace these complex and ever-changing dynamics. For all the great work of social entrepreneurs, we cannot rely on them alone to create the scale of solutions now needed. Indeed, to achieve the necessary scale, we need everyone to step up and become changemakers. This is how Ashoka defines its strategy as we enter this new world – Everyone a Changemaker.

It is ambitious in its scale and audacious in its vision. We are aiming to achieve no less than a societal mindset shift. While Ashoka as a global community has successfully mainstreamed the idea of social entrepreneurship, our next quest is to mainstream the practice of changemaking to build bridges across society. In particular, building on our extensive experience with social entrepreneurs and young people, we are now working to trigger fundamental changes in the educational experience of young people. This is to ensure that changemaking becomes an integral part of their development and they feel empowered to drive positive change in society.

Join us in celebrating the UK and Ireland's leading changemakers, our Ashoka Fellows, and in inspiring and enabling a society in which everyone is a changemaker.

Bill Carter, Chris Underhill, Lucy Perkins & Yashveer Singh – Trustees of Ashoka UK

Nikki Gravning & Elena Gibson – Country Co-Directors of Ashoka UK

Ashoka UK

Trustees and Country Directors' Welcome

Year Ended 31 August 2020

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Ashoka UK

Charity Reference and Administrative Details

Year Ended 31 August 2020

Charity registration number 1113246

Company registration number 04903565

Trustees of the Charity: The Trustees of the Charity are also the Directors for the purposes of company law. The Trustees who have served during the year and since the year end were as follows:

Bill Carter (Appointed 15 February 2020)
Christopher Underhill
Lucy Perkins
Yashveer Singh (Appointed 27 July 2020)

Amy Neugebauer (Resigned 10 July 2020)
Edward Fido (Resigned 1 November 2019)
Fabienne Serfaty (Resigned 14 February 2020)
Konstanze Frischen (Resigned 1 November 2019)

Country Directors Elena Gibson
Veronica Gravning

Registered office WeWork Hoxton
Senna Building
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Auditor PKF Littlejohn LLP
15 Westferry Circus
London
E14 4HD

Solicitor Latham & Watkins (London) LLP
99 Bishopsgate
London
EC2M 3XF

Bankers Lloyds Bank
399 Oxford Circus
London
W1C 2BU

The objects for which the Charity is established, as set out in the Memorandum and Articles of Association, are to support and promote such one or more exclusively charitable purposes anywhere in the world as the Charity shall determine. "Charitable" shall have the meaning assigned to it by the law for the time being in force in England and Wales. "Charitable purposes" shall mean such purposes (whether effected or to be effected) as shall for the time being be exclusively charitable purposes.

Ashoka UK

Trustees' Annual Report (Including Directors Report and Strategic Report)

Year Ended 31 August 2020

The Trustees present their report and the audited financial statements of Ashoka UK ('the Charity') for the year ended 31 August 2020.

The report and financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's governing document, the Charities Act 2011, the Companies Act 2006 and the Statement of Recommended Practice "Accounting and Reporting by Charities".

OBJECTIVES AND ACTIVITIES

Ashoka's vision is to **build a world where Everyone is a Changemaker**. A world where we can equip more and more individuals with the skills and motivation to solve social and environmental problems. This vision comes from Ashoka's experience in pioneering the field of social entrepreneurship – and through finding, selecting, and supporting the world's leading social entrepreneurs.

Social entrepreneurs are the engines of change and role models for the citizen sector. Ashoka identifies and invests in leading social entrepreneurs ("Ashoka Fellows") – entrepreneurs working to achieve positive social impact – supporting the individual, idea, and institution through all phases of their career. We engage communities of entrepreneurs and develops patterns of effective collaborations that accelerate and spread social impact. We also encourage the creation of sustainable systemic social solutions to support and accelerate progress within the community. Systems include: access to social financing, bridges to business and academic sectors, and frameworks for strategic partnerships that deliver social and financial value.

Ashoka works to define and strengthen the field of social entrepreneurship, including spreading the innovations of both individual social entrepreneurs and those developed cooperatively among social entrepreneurs working on common or related problems. This includes publications, professional training of social entrepreneurs in communications, and Ashoka's web presence. Ashoka makes disbursements of funds in support of these objectives directly to individuals and groups as well as through affiliated groups and its own regional and country branches in East Asia, Southeast Asia, South Asia, Africa, South America, Mexico/the Caribbean Basin/Central America, Europe, North America, and Middle East/North Africa.

In the UK, the Charity has worked for over 15 years to support outstanding social innovators with transformative solutions to social issues, focusing on three main areas:

1. Searching for, selecting, and supporting the world's leading social entrepreneurs

Fellows undergo a rigorous selection process to become an Ashoka Fellow, and once elected, get access to tailored support to scale their solutions over their lifetimes and access to a global community of inspiring peers and changemakers.

Our Fellows also get access to our Ashoka Support Network (ASN), which is a global community of committed leaders who share, support, and advocate for Ashoka's values and vision, whilst unleashing their own potential as changemakers. ASN members provide Ashoka with financial support while lending Fellows their time and expertise. They join to give back to, learn from and co-create with our community of changemakers. With 400 members worldwide, and 35 in the UK and Ireland, we have built a powerful network that amplifies our and our Fellows' work.

(a) The Fellowship

Upon election, we invite Fellows into a life-long Fellowship and a global community of peers. While they may receive financial support in the form of an unrestricted, needs-assessed stipend, the main value of the Fellowship lies in the support Fellows access throughout their entrepreneurial journeys, from access to pro-bono legal advice, coaching and leadership development. Ashoka offers both structured courses and training, such as online webinars on systems change and social finance, as well as ad hoc and personal support. While the Ashoka team navigate and channel our Fellows' needs and opportunities, it is our community that provides the most value to the Fellows.

(b) The community

The Charity is building a close-knit community of like-minded people, all of whom we appreciate as changemakers. It comprises of Ashoka Fellows, our team and members of the Ashoka Support Network and other close friends. We define the purpose of our community as to 'nurture the changemaker within one another and enable the community's power for a better tomorrow'. This purpose has become the design principle that leads what we do and inspires a self-propelling community of changemakers who build on each other's strengths and become more than the sum of its parts.

2. Enabling society to embrace social innovation and changemaking

(a) Leveraging the collective wisdom of our community

In the last 40 years, Ashoka has not only built the world's largest community of leading social entrepreneurs but also continued to contribute to and pioneer and empower the field of social entrepreneurship. At the heart of this effort has always been the commitment to maintain systems change as the central goal of social entrepreneurship.

(b) Partnering with organisations to accelerate change

At Ashoka, we work with businesses, foundations, and individuals to design innovative partnerships to accelerate changemaking, both within and outside of our organisations. As a global centre for many multi-national organisations, The Charity is well placed to support social entrepreneurs who can have a global impact. We are also proud to develop stronger bridges between corporations and social innovators, such as by delivering Changemaker Challenges.

3. Empowering all young people to become changemakers

At Ashoka, we believe that every young person must become a changemaker – in order to thrive in the present and shape the future. For centuries, human life has been governed by way of rigid hierarchies, monolithic institutions and longstanding tradition. Routine and repetition have dominated. For many, our world is now rapidly giving way to a life in which it which is increasingly uncertain and complex. In many places, we are moving from the ideal of "one-leader-at a time" to "everyone must lead" – and this starts with young people.

(a) Building a co-lead community to inspire changemaking among young people

Our mission is to trigger a shift in mindsets across the learning ecosystem so that the experience of education explicitly empowers every young person to be a changemaker. Our approach to achieving this is to find, connect and organise social innovators, government, foundations, thought leaders and young people themselves who are already pioneering the field of changemaking. And then, to organise these communities to lead initiatives which eventually tip ecosystems toward a future in which every young person is becoming a changemaker.

(b) Partnering with Ashoka Changemaker Schools to drive positive change

Counting more than 300 schools globally to date, the Ashoka Changemaker Schools network aligns around a shared vision: to empower children and young people to be socially minded leaders, with the connection to purpose that enables them to effectively solve problems and drive positive change.

ACHIEVEMENTS AND PERFORMANCE

1. Searching for, selecting, and supporting the world's leading social entrepreneurs

Our Newest Fellows: John Christensen

John Christensen founded the Tax Justice Network (TJN) in 2003 to increase transparency and accountability in one of our most fundamental structures: the global tax system. His commitment to tackling tax avoidance for more than 20 years has empowered journalists to expand popular understanding of the issue and compelled both governments and regulatory organisations to change the rules by which international finance operates. As a result of John's work, greater transparency in transactions and reporting has become a new global standard- saving potentially billions of dollars from being channelled illegitimately into private hands when they could otherwise go to strengthening societies.

John's strategy includes several tactics such as training investigative journalists, publishing research on tax injustice and its contribution to the global wealth divide, and weaving international dialogue between regulatory bodies, government officials and tax justice activists. His work informed the founding of Tax Inspectors Without Borders, a body managed jointly by the OECD (Organization for Economic Cooperation and Development) and UNDP (United Nations Development Programme). Another milestone was the OECD's adoption of TJN's tax-avoidance metrics to inform its own tax audit policies.

To find out more about John's election you can read his full profile [here](#) and visit the Tax Justice Network website [here](#).

Our Newest Fellows: Bob Bharij

Through Foundation for Change, Bob Bharij is addressing the revolving door culture that exists in services supporting individuals who have experienced significant disadvantage and inequality. By supporting people to create more accurate understandings of their life experiences and the root causes of their behaviours, he is working to create more sustainable routes out of treatment and into society. Bob co-founded Foundation for Change (FfC) in 2014 with long-term colleague Liz Naylor, having worked for a national UK treatment provider for ten years supporting individuals with histories of substance misuse. During this time, Bob co-created a highly successful and unique approach to address a significant gap in treatment services: the lack of sustainable routes out of treatment and into society.

Bridging this gap, FfC offer courses incorporating their approach that range from six weeks to six months. At the heart of Bob's work is the belief that people need to accurately understand their pasts and the root causes of their behaviours to move forwards in their lives. Furthermore, he believes it is crucial that people understand the inter-relationship between individual experience and the broader socio-political and economic structures that perpetuate inequality. The FfC approach is a pioneering system of learning through which participants gain deep personal insight whilst simultaneously learning about the world they live in. Bob believes this approach has the potential to transform rehabilitation programmes across the social care sector.

To find out more about Bob's election you can read his full profile [here](#) and visit the Foundation for Change website [here](#).

Our Newest Fellows: Immy Kaur

Immy Kaur has spent more than five years designing and developing a new kind of town hall through Impact Hub Birmingham and now CIVIC SQUARE. It was inspired by the need for new institutional infrastructure during times of great transition and understanding what that meant in a social and civic sense. An example was Andrew Carnegie's public libraries, and the democratisation of learning and access to learning infrastructure at the community and neighbourhood level, that they promoted in late

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1800s America. Even though this had problematic intentions, the central idea was that times of massive transition and change require massive institutional responses. Now Immy, her team, partners, and communities, have developed a blueprint for urban renewal that truly puts people first. She believes that today we need our social and civic institutions to take us through an equally massive period of transition.

The CIVIC SQUARE model recognises three things. Firstly, the importance of land and the power it holds. Secondly, that equitable models can create truly sustainable communities. And thirdly, how often land is used to extract value – the benefits of which rarely reach those who actually live on it. This value is, in reality, often created by the public and common goods around it. CIVIC SQUARE places neighbourhoods at the core of partnerships with municipal authorities and private developers. By doing this, Immy helps to ensure that the land uplift brought by publicly funded gentrification and speculation is reinvested and circulates locally.

To find out more about Immy's election you can read her full profile [here](#) and visit the CIVIC SQUARE website [here](#).

2. Enabling society to embrace social innovation and changemaking

(a) Leveraging the collective wisdom of our community

Funding systems change: the key to a more impactful social entrepreneurship sector

In the past year, we have focused on how funders can partner effectively with social entrepreneurs pursuing systems change. We have been exploring how the approach needed for funding systems change differs from traditional grantmaking or investment.

Social entrepreneurs frequently report that their most impactful work – the work that is most focused on system change – is generally also the least funded. This mismatch presents a massive challenge to the whole sector and at the same time an opportunity for funders to multiply the impact of their funding by adopting a system change approach.

In support of this evolution, we released two unique reports, elevated the voice of practitioners, partnered with funders and intermediaries, co-created ecosystem initiatives: "[Embracing Complexity: towards a shared understanding of funding system change](#)" and "Seven Steps for Funding System Change".

Seven Steps for Funding System Change: A comprehensive guide for funders, by social entrepreneurs

While we observe a welcoming trend of increasing attention to systems change among funders, the voice of social entrepreneurs themselves is often not represented at the table. The conversation therefore misses out on the experience of those working at the frontlines of system change. In response, we set out to help shift the perspective of social entrepreneurs into the centre of attention and encourage funders to co-create their processes with them. We synthesised their recommendations in the comprehensive and practical guide "[Seven Steps for Funding System Change](#)" with the support of The National Lottery Community Fund.

Co-creating Catalyst 2030 to accelerate global collaboration towards systems change and the SDGs

With the support of Ashoka, Echoing Green, the Schwab Foundation and the Skoll Foundation, leading social entrepreneurs from around the world came together to co-create [Catalyst 2030](#), a global movement of now over 250 system change leaders coordinating action on the SDGs and supporting the social change ecosystem to be more effective in enabling systems change.

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Among numerous collaborations and working group activities, Catalyst 2030 launched the [Catalysing Change Campaign](#) to showcase how social innovators are responding to COVID-19, to co-create policy recommendations for the UN High-level Political Forum on Sustainable Development, and initiate dialogue with policy makers, funders and leaders across sectors. Many of those active in Catalyst 2030 and the campaign are Ashoka Fellows.

(b) Partnering with organisations to accelerate change

Supporting Climate Leaders: HSBC Climate Change Globalizer

In 2019, Ashoka and HSBC partnered up to support and scale the impact of social entrepreneurs working to tackle climate change through Ashoka's Globalizer programme. The "Supporting Climate Leaders" 6-month accelerator programme focused on helping 12 selected Fellows working on diverse climate change issues and solutions. The Fellows were matched with global business executives and consultants who helped them develop systems change strategies to take their ideas to scale.

The programme culminated in a 3-day Summit. Fellows presented their work and refined their strategies with high-level business executives, citizen sector leaders and sustainability experts. Following this, 78% of Fellows stated that their overall strategies shifted to a system change approach.

HSBC Future Skills Innovation Challenge

Ashoka partnered with HSBC to unearth innovations globally, around the area of Future Skills, specifically financial capability and employability. This challenge is part of a broader partnership between Ashoka and HSBC exploring how Changemaking Skills and Ashoka's network can be used to create systemic impact.

Through an extensive process and judging panel, we whittled down 250 applications to [12 winners](#), who were selected to receive a cash prize of up to USD \$25,000, tailored mentoring and the [Ashoka Europe Fellowship Online Systems Change course](#). We are really proud to announce the winners of the Innovation Challenge, who work across the world to support vulnerable groups such as refugees in Greece and domestic workers in Mexico, and equip them with skills for the future.

Co-creating better actions on the Sustainable Development Goals in Birmingham

We worked with Bioregional, an organisation founded by Senior Ashoka Fellow, Sue Riddlestone, and HSBC UK to identify opportunities to drive action on the Sustainable Development Goals in Birmingham. To do this, we convened Birmingham's Social Impact leaders to identify what needs to be done for Birmingham to meet the 2030 Sustainable Development Goal targets. The inspiring work identified Social Impact Leaders and social entrepreneurs in Birmingham, including Immy Kaur, who we are extremely proud to welcome into the Ashoka Fellowship.

3. Empowering all young people to become changemakers

(a) Building a co-lead community to inspire changemaking among young people

The Charity began a partnership with the Edge Foundation, an independent education charity dedicated to shaping the future of education in the UK, who believe a coherent, unified and holistic education system can support social equity and enable all young people to fulfil their potential.

We worked with YouGov Plc in May 2020 to survey 1,500 parents and over 500 teachers across the country. This found an overwhelming appetite for changemaker education:

- 71% of all parents across the UK want education to enable their children to be changemakers.
- 80% of teachers surveyed want their teaching to focus on enabling children to be changemakers.

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(b) Partnering with Ashoka Changemaker Schools to drive positive change

In the UK we have established a network of [15 Ashoka Changemaker Schools](#) who prove that re-imagining education is possible in every context: primary; secondary; free; religious; state-schools. These schools have played a key role in redefining success, tackling inequalities and influencing education policy.

We work closely with Changeleaders across these Ashoka Changemaker Schools in order to make systemic change on how young people grow up and are educated in the UK. Our actions focus on:

- Fostering cross-school exchanges and creating opportunities for working together to create a sense of community and shared changemaking identity.
- Engaging children and young people in the conversations about personal and social change and how this can be achieved through education, such as through virtual summits. For example, we co-designed with our Changeleaders community, nine teachers and forty students aged seven to seventeen in a virtual summit.
- Nurturing collaborations between Ashoka Fellows and other members of our Ashoka Community and the Changemaker Schools

PLANS FOR THE FUTURE

In the coming years, the Charity plans to continue the core activities with the following focus:

1. Searching for, selecting, and supporting the world's leading social entrepreneurs

While we continue to identify new Fellows every year, we recognise the importance of a strong and diverse community, which consists of Fellows, ASN members and close friends of Ashoka. We therefore aim to steward the community in a way that brings its purpose to life, at the same time ensuring a diverse Fellowship.

While we navigate carefully out of COVID lockdown, we continue to design meaningful community gatherings at increased frequency, further strengthening the transition from "network" to "community". We will also ensure timely and targeted dissemination of relevant engagement opportunities for Fellows and ASN members, in particular increasing awareness of European Fellowship and pro bono offerings among new Fellows.

In order to improve diversity of the Fellowship, we will continue to develop our nominator network, e.g. expanding the network so the sources of Fellow candidates are more diverse, and hosting roundtable discussions on the nominations with diversity in the focus. We also aim to place a stronger emphasis in developing the nomination network on Greater Manchester.

2. Enabling society to embrace social innovation and changemaking

We aim to leverage our unique position and insight in the field of social entrepreneurship and are widely recognised for our pioneering thought leadership. We will also partner with forward-thinking corporates and foundations who are interested in social innovation and aligning with us to scale the most innovative solutions among social entrepreneurs; through these partnerships we shall boost the social demand for changemaking. As a geographical centre for many of our global partners, Ashoka UK is well placed to support social entrepreneurs, foundations and corporations with presence around the world.

3. Empowering all young people to become changemakers

We are working with partners and communities to embed changemaking in the UK, sharing learnings with Ashoka offices around the world. By working with a community of prominent co-leaders in the education space, including education experts, Ashoka Fellows and a collective 15 Ashoka Changemaker Schools across the country, we hope to embed changemaking and transform how young people grow up in the UK.

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We formed a core co-lead community in the past year, who collectively aims to make changemaking a measure of success in the UK. One of the core focus the co-lead community is working on is to develop the metro level strategy in Manchester, making it as the first Changemaker City in the UK. Through this work, we work our way to create a robust architecture for impactful children & youth work, including the search for and engagement of young changemakers.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Ashoka UK is a Charity (registered number 1113246) and a Company limited by guarantee with no share capital (registered number 04903565). The governing document is the Memorandum and Articles of Association. The Company was incorporated in 2003 and commenced activity in March 2006.

Under the Memorandum and Articles of Association, the Charity has the power to invest the monies of the Company not immediately required for its purpose in such investments as its board of Trustees (who are also the Company's directors) consider appropriate, subject to any conditions or consents imposed by law.

The Trustees are required to monitor the affairs and the general business of the Charity and meet as required. Trustees are selected for their expertise in areas relevant to the work of the Charity. New trustees are inducted with a history of the Charity and its aims and relevant financial and administrative information.

Remuneration for key management personnel is set in accordance with our internal level and salary framework, which provides salary brackets for each of the internal levels. This framework was developed by an external party and benchmarked against the UK charity sector.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees and management team have a risk register that is reviewed and updated at least annually. At present this covers 16 potential risks in four categories, where mitigating actions are identified and implemented: financial, reputational, operational and compliance. One of the key areas the Charity reflected on is the impact, and consequentially the risks and uncertainties, brought by COVID 19.

The past 15 months was a testimony of how strong and adaptable the team was: we saw almost no disruptions to our operations, but a strong commitment to ensure fruitful interactions for our community online; we continued to elect new Fellows, deliver quality partnerships and fundraise with many successes.

Despite these successes, the management team continues to take the related risks seriously, actively monitoring the situation while operating under prudent assumptions. The team produces quarterly leadership reports for the Trustees, which monitors against a list of events that if triggered, requires a review of the budget so the Charity can course-correct swiftly. The management team has identified various cost-cutting measures that are available, with plans in place to ensure timely implementation of them.

While the impact of COVID lingers on, the Charity had managed well through the initial disruption that it had brought on. We continue to navigate through the uncertain world that we are in, and we have strong confidence that the Charity is capable to adapt to the new norm however it may look like. Having considered forecasts of the next 12 months and beyond, the Trustees concluded that Ashoka UK is a going concern, and the uncertainties including the impact of COVID on the Charity's ability to carry on is immaterial.

FINANCIAL REVIEW

During the financial year 2020, £2,556,578 was received by the Charity in donations (£1,497,656 of this funding being unrestricted funding and £1,058,922 being restricted funding). The total expenditure for financial year 2020 was £1,913,978. The Charity ended the year with a surplus of £642,600.

The funding sources for financial year 2020 are typical of the Charity's annual income mix. The principal funding sources fall into three categories:

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1. **Individual donations:** These are all categorised as unrestricted funding. The majority of these donations came from a group of individuals, who are members of the ASN (Ashoka Support Network) who make regular annual donations. They normally make a pledge to donate £8,000 to £10,000 per year, with an initial commitment of three years. Besides financial support, the Ashoka Support Network members also provide support to the Ashoka Fellows (who are the social entrepreneurs that Ashoka works with), through professional advice and coaching. The rest of the individual donations came from one-off donations from other individuals.
2. **Corporate partnerships and grants from foundations:** This is a mix of restricted and unrestricted funds. Funding received was used to support the ecosystem of social entrepreneurs, foster social innovation and co-creation with social entrepreneurs support young people to be changemakers.
3. **Other Ashoka Offices:** These are all categorised as unrestricted funding. Ashoka is an international organisation with offices over the world. The different Ashoka teams often collaborate to achieve the common vision of creating a world where everyone is a changemaker for the greater good. Funding raised through corporate partnerships and foundation grants through other Ashoka offices is shared with Ashoka UK, in support of activities locally as well as internationally.

There are two main factors that have the potential to impact future financial performance, which are both being monitored by the Trustees and mitigation plans are in place.

1. **Brexit:** The situation around “Brexit” continues to be monitored, in particular on the potential new regulations and requirements that could restrict the Charity’s ability to fundraise in the UK and beyond. We anticipate an impact to the UK fundraising environment, especially the grant-giving ability and willingness of high-net-worth individuals and companies. The Charity works closely with other Ashoka European offices to ensure the diversity of our source of funding.
2. **COVID-19:** The pandemic is expected to slow the global economy, and possibly lead to the worst recession in decades. The Charity’s long-term fundraising ability is expected to deteriorate with the global fundraising market. The Charity is working closely with Ashoka Global and Ashoka offices across the globe on contingency planning.

RESERVES POLICY

The Reserves Policy is set out to ensure that Ashoka UK maintains a level of easily accessible funds (“reserves”) so that it can continue its core activities during a period of unforeseen financial difficulties.

The Reserves Policy is set to determine the reserves level needed to pay for the Charity’s core operational expenditures over a minimum of three months, should no funding be available.

The Charity’s Target Unrestricted Reserves as at 31 August 2020 was approximately £263,100; and the Charity held unrestricted funds of £795,251 as at 31 August 2020.

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DISCLOSURE OF INFORMATION TO THE AUDITORS

We, the Directors of the Company who held office at the date of approval of these Financial Statements, as set out above each confirm, so far as we are aware, that:

- There is no relevant audit information of which the Company's auditors are unaware of; and
- We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as Company Directors.

On behalf of the Board,

Signature: Bill Carter

Name: Bill Careter

Position: Chair of the Board of Trustees

Date: 25 May 2021

Statement of Trustees' Responsibilities

Year Ended 31 August 2020

The Trustees 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).

The law applicable to charities in England and Wales 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 of the charity during the year and of its financial position at the end of the 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 of the Charities' SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

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

Ashoka UK

Independent Auditor's Report

Year Ended 31 August 2020

Opinion

We have audited the financial statements of Ashoka UK (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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 Trustees' Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the Trustees' 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 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.

Ashoka UK

Independent Auditor's Report

Year Ended 31 August 2020

Opinions 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 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' Annual 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Annual Report.

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

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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:

Independent Auditor's Report

Year Ended 31 August 2020

- We obtained an understanding of the charitable company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, sector research and application of cumulative audit knowledge and experience.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from Financial Reporting Standard 102, the Charities SORP, Charities Act 2011 and the Companies Act 2006.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the charitable company with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of minutes and review of legal and regulatory correspondence.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was potential for management bias in the judgements made around recoverability of debtors or accrued income balances. We addressed this through examination of post year end cash received, review of correspondence with debtors and funders, and discussion of recoverability with management.
- We also identified potential for management bias in the timing of recognition of grant income, and completeness of income from donations. We addressed these risks through detailed cut-off testing including review of a sample of grant agreements to ensure income was recognised in the correct financial year, and specific completeness testing of donations using the bank account as the source.
- We also identified potential for management bias in the allocation of support costs against charitable activity categories. We addressed this through reviewing the method used for reasonableness, and re-performing the calculation to ensure it had been performed accurately in line with the stated method.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the 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.


Alastair Duke (May 27, 2021 12:16 GMT+1)

Alastair Duke (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory auditor
Date: May 27, 2021

15 Westferry Circus
Canary Wharf
London E14 4HD

Ashoka UK

Statement of Financial Activities (Incorporating an Income and Expenditure Account)

Year Ended 31 August 2020

		2020 Unrestricted funds £	2020 Restricted funds £	2020 Total £	2019 Total £
	Note				
Income from:					
Donations and grants	2	1,497,656	1,058,922	2,556,578	1,184,879
Interest income		-	-	-	-
Total income		<u>1,497,656</u>	<u>1,058,922</u>	<u>2,556,578</u>	<u>1,184,879</u>
Expenditure on:					
Raising funds		31,849	5,282	37,131	89,248
Charitable activities	3	882,822	994,025	1,876,847	1,082,868
Total expenditure		<u>914,671</u>	<u>999,307</u>	<u>1,913,978</u>	<u>1,172,116</u>
Net income / (expenditure)		<u>582,985</u>	<u>59,615</u>	<u>642,600</u>	<u>12,763</u>
Net movement in funds	10	<u>582,985</u>	<u>59,615</u>	<u>642,600</u>	<u>12,763</u>
Reconciliation of funds:					
Total funds brought forward	10	212,266	264,637	476,903	464,140
Total funds carried forward	10	<u>795,251</u>	<u>324,252</u>	<u>1,119,503</u>	<u>476,903</u>

All income and expenditure derive from continuing activities. The statement of financial activities includes all gains and losses recognised during the year.

The notes on pages 18 to 26 form part of these financial statements.

Ashoka UK

Balance Sheet

Year Ended 31 August 2020

	Note	2020 £	2019 £
Current assets			
Debtors	8	43,127	190,119
Cash at bank and in hand		<u>1,346,826</u>	<u>705,049</u>
		<u>1,389,953</u>	<u>895,168</u>
Creditors: amounts falling due within one year	9	270,450	418,264
Net current assets		<u>1,119,503</u>	<u>476,904</u>
Net assets		<u>1,119,503</u>	<u>476,904</u>
Charity Funds			
Restricted funds	10	324,252	264,636
Unrestricted funds	10	<u>795,251</u>	<u>212,266</u>
Total charity funds	10	<u>1,119,503</u>	<u>476,902</u>

The financial statements were approved and authorised for issue by the Board on 25 May 2021.

Signed on behalf of the Board of Trustees:

Signature: Bill Carter

Name: Bill Carter

Position: Chair of the Board of Trustees

Date: 25 May 2021

The notes on pages 18 to 26 form part of these financial statements.

Company registration number: 04903565

Ashoka UK**Statement of Cash Flows****Year Ended 31 August 2020**

	Note	2020 £	2019 £
Cash flow from operating activities	12	641,777	370,138
Net cash flow provided by / (used in) operating activities		<u>641,777</u>	<u>370,138</u>
Change in cash and cash equivalents in the year		641,777	370,138
Cash and cash equivalents at 1 Sep 2019 / 1 Sep 2018		705,049	334,911
Cash and cash equivalents at 31 Aug 2020 / 31 Aug 2019		<u>1,346,826</u>	<u>705,049</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		1,346,826	705,049
Cash and cash equivalents at 31 Aug 2020 / 31 Aug 2019		<u>1,346,826</u>	<u>705,049</u>

The notes on pages 18 to 26 form part of these financial statements.

Notes to the Financial Statements

Year Ended 31 August 2020

1 Summary of significant accounting policies

(a) General information and basis of preparation

Ashoka UK is a Charity (registered number 1113246) and a Company limited by guarantee with no share capital (registered number 04903565) in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. 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 (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Trustees have considered their forecasts including in relation to the potential impact of COVID-19 and consider that Ashoka UK is a going concern without material uncertainty. Therefore, the financial statements are prepared on a going concern basis under the historical cost convention.

The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

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. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund are set out in the notes to the financial statements.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income, after any performance conditions have been met, when the amount can be measured reliably and when it is probable that the income will be received.

Income from donations is recognised on receipt, unless there are conditions attached to the donation that require a level of performance before entitlement can be obtained. In this case income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity, for example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Notes to the Financial Statements

Year Ended 31 August 2020

(c) Income recognition (continued)

Income from grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Interest income is recognised when it is receivable.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are included in expenditure on charitable activities. Where unconditional grants are made, these amounts are recognised when a constructive obligation is created, typically when the recipient is notified that a grant will be made to them. Where grants are conditional on performance, then the grant is only recognised once any unfulfilled conditions are outside of the control of the charity.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and project management costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources, being pro-rata against the level of direct costs incurred in each area of activity.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

The analysis of these costs is included in note 3.

(f) Debtors and creditors receivable / payable within one year

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 expenditure.

(g) Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(h) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

Notes to the Financial Statements

Year Ended 31 August 2020

(i) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010. It therefore meets the definition of a charitable company for UK corporation tax purposes.

(j) Leases

Rentals payable under operating leases are charged to the SoFA on a straight-line basis over the period of the lease.

2 Income from donations and grants

	2020 Unrestricted £	2020 Restricted £	2020 Total £	2019 Total £
Individual donations from the Ashoka Support Network	296,808	-	296,808	240,412
Other individual donations	7,750	-	7,750	69,014
Gift aid	55,654	-	55,654	31,598
Trusts and family foundations donations	71,258	329,342	400,600	112,239
Corporate donations	165,924	729,580	895,504	341,963
Donated services	78,112	-	78,112	34,675
Other Ashoka Offices	822,150	-	822,150	354,977
	<u>1,497,656</u>	<u>1,058,922</u>	<u>2,556,578</u>	<u>1,184,879</u>

3 Analysis of expenditure on charitable activities

	Direct Activities 2020 £	Support costs 2020 £	Total 2020 £
Social Entrepreneurs	671,623	313,647	985,270
Changemaker Education	68,464	31,972	100,436
Changemaker Ecosystem Building	539,292	251,849	791,141
	<u>1,279,379</u>	<u>597,468</u>	<u>1,876,847</u>

	Direct Activities 2019 £	Support costs 2019 £	Total 2019 £
Social Entrepreneurs	355,727	192,284	548,011
Changemaker Education	172,663	93,331	265,993
Changemaker Ecosystem Building	174,526	94,338	268,864
	<u>702,915</u>	<u>379,953</u>	<u>1,082,868</u>

£994,025 (2019: £220,066) of the above costs were attributable to restricted funds. £882,822 (2019: £862,802) of the above costs were attributable to unrestricted funds.

Notes to the Financial Statements

Year Ended 31 August 2020

4 Allocation of support costs

Support cost	Raising funds 2020 £	Social Entrepreneur 2020 £	Changemaker Education 2020 £	Changemaker Ecosystem 2020 £	Total 2020 £
Governance	1,622	43,027	4,386	34,549	83,584
Finance	3,380	89,682	9,142	72,013	174,217
Human resources	2,457	65,209	6,647	52,361	126,674
Office costs	3,860	102,424	10,441	82,243	198,968
Media and communications	501	13,305	1,356	10,683	25,845
Total	11,820	313,647	31,972	251,849	609,288

Support costs have been allocated pro-rata to the level of direct costs on each activity.

Support cost	Raising funds 2019 £	Social Entrepreneur 2019 £	Changemaker Education 2019 £	Changemaker Ecosystem 2019 £	Total 2019 £
Governance	4,029	24,740	12,008	12,138	52,915
Finance	11,819	72,571	35,225	35,605	155,220
Human resources	5,320	32,665	15,855	16,026	69,865
Office costs	9,067	55,672	27,022	27,314	119,075
Media and communications	1,081	6,636	3,221	3,256	14,194
Total	31,316	192,284	93,331	94,338	411,269

Support costs have been allocated pro-rata to the level of direct costs on each activity.

5 Auditor's remuneration

	2020 £	2019 £
Fees payable to the charity's auditor for the audit of the charity's annual accounts:	8,520	8,270
Fees payable to the charity's auditor for other services:	2,370	2,300
	10,890	10,570

Notes to the Financial Statements

Year Ended 31 August 2020

6 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration for their role as Trustees (2019: £Nil).

The total amount of employee benefits received by key management personnel during the year was £159,107 (2019 - £135,979).

The Trustees did not have any expenses reimbursed or paid directly on their behalf during the year (2019 - £Nil).

7 Staff costs and employee benefits

The average monthly headcount was 15.7 staff (2019: 15.8 staff) and the average monthly number of full-time equivalent employees (FTE) during the year was as follows:

	2020 FTE	2019 FTE
Raising funds	0.9	0.8
Charitable activities	8.1	8.0
Support services	3.3	2.7
	<hr/> 12.3	<hr/> 11.5
	<hr/>	<hr/>

The total staff costs and employee benefits were as follows:

	2020 £	2019 £
Wages and salaries	625,764	517,608
Social security	66,733	51,841
Defined contribution pension costs	15,099	10,063
	<hr/> 707,596	<hr/> 579,512
	<hr/>	<hr/>

One employee received total employee benefits (excluding employer pension costs) of between £60,001 and £70,000 in the year (2019: One).

8 Debtors

	2020 £	2019 £
Trade debtors	17,392	25,000
Prepaid expenses	21,341	157,207
Amounts owed by other Ashoka entities	4,394	7,912
	<hr/> 43,127	<hr/> 190,119
	<hr/>	<hr/>

Ashoka UK

Notes to the Financial Statements

Year Ended 31 August 2020

9 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	9,978	9,732
Amounts owed to other Ashoka entities	65,415	36,438
Stipend Payable	63,537	78,936
Accruals and deferred income	131,520	293,158
Other creditors	-	-
	<u>270,450</u>	<u>418,264</u>

10 Fund reconciliation

Unrestricted funds

	Balance at 1 Sept 2019 £	Income £	Expenditure £	Balance at 31 Aug 2020 £
Unrestricted	212,266	1,497,656	(914,671)	795,251
	<u>212,266</u>	<u>1,497,656</u>	<u>(914,671)</u>	<u>795,251</u>

	Balance at 1 Sept 2018 £	Income £	Expenditure £	Balance at 31 Aug 2019 £
Unrestricted	250,631	896,261	(934,626)	212,266
	<u>250,631</u>	<u>896,261</u>	<u>(934,626)</u>	<u>212,266</u>

Restricted funds

	Balance at 1 Sept 2019 £	Income £	Expenditure £	Balance at 31 Aug 2020 £
Big Lottery fund	5,000	-	(5,000)	-
University Hamburg	90,511	-	(57,293)	33,218
HSBC Climate Change Globalizer	114,180	134,500	(63,055)	185,625
HSBC Birmingham SDGs	11,419	25,000	(36,420)	-
Lucille Foundation	27,930	150,000	(164,634)	13,296
Rothschild & Co.	15,596	-	(15,596)	-
HSBC Future Skills Challenge	-	570,080	(564,321)	5,759
Stichting Benevolentia Foundation	-	179,342	(92,987)	86,354
	<u>264,637</u>	<u>1,058,923</u>	<u>(999,307)</u>	<u>324,252</u>

Notes to the Financial Statements

Year Ended 31 August 2020

10 Fund reconciliation (continued)

	Balance at 1 Sept 2018 £	Income £	Expenditure £	Balance at 31 Aug 2019 £
UBS Switzerland	29,913	-	(29,913)	-
Lego Foundation	(6,274)	6,618	(344)	-
Fondation Primat	28,255	-	(28,255)	-
Big Lottery fund	13,326	20,000	(28,326)	5,000
Sodexo	1,786	-	(1,786)	-
University Hamburg	148,204	-	(57,693)	90,511
David Cock Foundation	-	25,000	(25,000)	-
HSBC Climate Change Globalizer	-	134,500	(20,320)	114,180
HSBC Birmingham SDGs	-	25,000	(13,581)	11,419
Lucille Foundation	-	37,500	(9,570)	27,930
Rothschild & Co.	-	40,000	(24,404)	15,596
Other	(1,702)	-	1,702	-
	<u>213,509</u>	<u>288,618</u>	<u>(237,490)</u>	<u>264,637</u>

Fund descriptions

a) Unrestricted funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

b) Restricted funds

The funds listed in the "Restricted Funds" table above are restricted to the following purposes & activities:

Big Lottery Fund – the search & selection and stipend costs for two Ashoka Fellows; the organization and hosting of a 4-day leadership retreats and joint knowledge exchange workshops; the creation of knowledge assets to strengthen the social entrepreneurship ecosystem.

Fondation Primat – delivering a Learning Festival and a gathering of the Global Change Leaders in Lyon, and a 10-month Weavers Learning Journey (Accelerator Programme) that took place in Lyon, Maastricht and Bern.

HSBC Climate Change Globalizer - HSBC supports Ashoka to organize a GLOBALIZER program around climate change, where Ashoka works with 12 leading Ashoka Fellows on their scaling strategies and plans, to focus on the system changes they seek and to be supported in the development of robust and practical strategies that can generate both the direct and indirect impact needed to achieve significant scale of their work.

HSBC Birmingham SDGs – mapping the stakeholders and social innovations in Birmingham; hosting a workshop on the vision and action plan for Birmingham to reach the SDG (Sustainable Development Goals) targets by 2030; and a 1-day coaching clinic for the working groups that come out of the workshop.

Notes to the Financial Statements

Year Ended 31 August 2020

10 Fund reconciliation (continued)

Fund descriptions

HSBC Future Skills Challenge – Ashoka and HSBC searched the globe and selected social entrepreneurs which address a specific financial capability or employability need through innovation. We looked for innovators helping their community develop new skills to manage their money successfully and boost their chances of meaningful employment. 12 winners were announced on 27 May 2020 of the Future Skills Innovation Challenge, all social entrepreneurs shaping a post-pandemic economy where everyone can access opportunities and where people have the skills to thrive in a rapid-changing world. The 12 winners shared a \$228,000 prize fund, and received mentoring and support from HSBC and Ashoka.

Lego Foundation, David Cock Foundation and Sodexo Foundation – the search & selection costs, plus stipend for several Ashoka Fellows. Sodexo Foundation supported two Ashoka Fellows, whereas Lego Foundation & David Cock Foundation supported one Ashoka Fellow each.

Lucille Foundation – supporting the search & selection costs, plus stipend for Ashoka Fellows working using community empowerment approaches, primarily in East Africa and India.

Rothschild & Co – sponsorship towards the Cities of Learning & Change-making project, which is designed to test new models of civic leadership and new levels of collaboration to transform how young people grow up, increasing access to opportunity and learning for young people in a way that creates deep and lasting social change.

Stichting Benevolentia Foundation – funding to support building of a powerful European changemaker community strong enough to enable leading social entrepreneurs and their solutions to flourish across Europe, to advance social entrepreneurship as a continental force of progress, to explore new paradigms for the future of changemaking in Europe, and to catalyse collective action for system changing initiatives to address Europe's grand challenges.

UBS Switzerland – the selection of some of the competition participants to participate in an accelerator program; and the support to individual social innovators.

University Hamburg – Participatory Memory Practices (POEM) – funding for a full-time 3-year PhD research involving European Ashoka Changemaker schools. Part of a broader EU research project which aims to develop a new framework for inclusive future-oriented memory practices to facilitate social cohesion in Europe. The project has received funding from European Union's Horizon 2020 Research and Innovation Programme under the Marie Skłodowska-Curie Grant Agreement No. 764859.

11 Analysis of net assets between funds (at 31 August 2020)

	Unrestricted funds £	Restricted funds £	Total £
Debtors	18,257	24,870	43,127
Cash at bank and in hand	969,734	377,092	1,346,826
Creditors in less than one year	(192,740)	(77,710)	(270,450)
Total at 31 August 2020	795,251	324,252	1,119,503

Ashoka UK

Notes to the Financial Statements

Year Ended 31 August 2020

11 Analysis of net assets between funds (continued)

Analysis of net assets between funds (at 31 August 2019)

	Unrestricted funds £	Restricted funds £	Total £
Debtors	164,379	25,740	190,119
Cash at bank and in hand	186,213	518,836	705,049
Creditors in less than one year	(138,326)	(279,940)	(418,266)
Total at 31 August 2019	<u>212,266</u>	<u>264,636</u>	<u>476,902</u>

12 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income / (expenditure) for year	642,601	12,763
Decrease / (Increase) in debtors	146,992	88,855
(Decrease) / Increase in creditors	<u>(147,816)</u>	<u>268,520</u>
Net cash flow from operating activities	<u>641,777</u>	<u>370,138</u>

13 Related party transactions and ex gratia payments

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

The exemption from disclosure of transactions with other group entities has been taken under FRS 102 section 33.1A.

14 Ultimate parent undertaking

Ashoka UK is a subsidiary of Ashoka, a global organisation of leading social entrepreneurs with headquarters in the US organisation with 501 (c) status and registered address of 1700 North Moore Street, Suite 2000, Arlington, VA, 1939, USA.

15 Operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than one year	32,214	27,900
Later than one year and not later than five years	-	-
Later than five years	<u>-</u>	<u>-</u>
	<u>32,214</u>	<u>27,900</u>