

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 10
Independent Auditors' Report on the Financial Statements	11 - 14
Statement of Financial Activities	15
Balance Sheet	16
Statement of Cash Flows	17
Notes to the Financial Statements	18 - 38

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Trustees

Clive Cowdery, Chair of Trustees
Kate Josephs
Danuta Gray
Adair Turner
Pat Butler
Patrick Stevens, Treasurer
Christina Alexandrou

Company registered number

05588883

Charity registered number

1114839

Registered office

2 Queen Anne's Gate
London
SW1H 9AA

Company secretary

Jayne Desmond

Independent auditors

HaysMac LLP
10 Queen Street Place
London
EC4R 1AG

Bankers

Natwest Bank plc
St Paul's Branch
Juxon House
98 St Paul's Churchyard
London
EC4M 8BU

United Trust Bank Ltd
80 Haymarket
London
EC4M 6YH

HSBC UK
60 Albert Road
Middlesbrough
TS1 1RS

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2024

The Trustees present their annual report together with the audited financial statements of The Resolution Foundation for the 1 October 2023 to 30 September 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Objectives and aims

The Resolution Foundation is an independent think-tank focused on improving living standards for those on low-to-middle incomes. Our reputation for rigorous analytical work that results in effective policy solutions places us at the forefront of the UK debate on economic and social policy. We work across a wide range of economic policy making and are a leading UK authority on securing widely-shared economic growth.

Recognised as a home of real expertise on a range of policy issues, we draw on a core team of researchers as well as established external relationships with top national and international economists, academics and policy experts as we continue to inform public debate and engage with key decision makers in government, the private sector, and civil society. We hold a regular programme of events, hosting diverse speakers including politicians from across the political spectrum.

The objects of the charity (as set out in the Memorandum and Articles of Association and amended by resolution on 26 May 2006 and 28 November 2019 in accordance with Article 36 of the Company's Articles of Association) are 1) to promote research and the education of the public into the economic and social sciences including, but without prejudice to the generality, the effect of economic, social and financial factors on the living standards at all stages of life of people benefiting from an income at or below the national average; and 2) to the extent resources of the charity are not required for object 1, to prevent and relieve poverty and to advance such other exclusively charitable purposes as the trustees see fit, including, but without prejudice to the generality, through social investment projects.

Our public benefit goal is to improve outcomes for people on low-to-middle incomes. We do this by undertaking original research and economic analysis to understand the challenges facing low-to-middle income households today. Engaging with policy makers and other key stakeholders, we develop practical and effective policy proposals to tackle the issues we identify and bring about change.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Objectives and activities (continued)

b. Our Focus

We define the low-to-middle income group as non-pensioners in the poorer half of the population, based on disposable incomes after accounting for housing costs. We 'equivalise' household income prior to establishing 'low-to-middle income' and 'higher income' groups, in order to account for the different living standards associated with various household compositions. As such, couples with no children are classed as low-to-middle income if their combined disposable income (after housing costs) was below £29,300 in 2023-24: while a single adult would need an income below £19,500 to qualify and a couple with two young children would need an income below £41,000.

By these definitions, there were almost 13 million low-to-middle income families in the UK in 2023-24 including around 18 million adults and over nine million children. The living standards of this group have been buffeted by a wide range of factors, including the UK's housing market challenges, productivity stagnation, insecure work, reductions in social security and the cost of living crisis. This leaves a pressing need for strong, shared income growth.

c. Our Approach

The Foundation prides itself on analytical rigour, and we strive to achieve standards of excellence in all our work. This commitment is matched by dedication to our core purpose, working to improve the living standards of those on low to middle incomes. These twin pillars of rigour and purpose underpin everything we do. We also aim to ensure our approach is:

- Focused - we concentrate our attention and resources on a cohesive range of projects to achieve the greatest impact.
- Practical - our policy solutions are derived from robust research and analysis and are practical and achievable.
- Influential - we engage with key stakeholders and policy.
- Independent - we are independent and non-partisan in our approach; we pursue policy issues on their merit and ability to improve outcomes for low to middle income households.
- Flexible - we adapt our working style to suit the particular needs of each project and are outcome oriented not process driven.
- Clear - we use a range of methods to convey our ideas and our communication style is clear, concise and direct.

d. Our Funding

The Resolution Foundation is primarily funded by the Resolution Trust. We are also grateful for support from additional organisations including Accenture (UK) Ltd, Citizens UK, Economic and Social Research Council (ESRC), European Climate Foundation, Friends Provident Foundation, the Health Foundation, Joseph Rowntree Foundation, JP Morgan Chase Foundation, the Nuffield Foundation, abrdn Financial Fairness Trust (formerly Standard Life Foundation), Trust for London, Ufi VocTech Trust and Unbound Philanthropy, which have enabled us to pursue project specific work during the year. We are committed to transparency and list all organisations from whom we receive a contribution of £3,000 and over in the notes of this report. Small additional sums are also received as donations or payment for ad hoc activity like speaking engagements.

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Objectives and activities (continued)

e. Public benefit

The Trustees confirm they have complied with the duty in section 17 (5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and guidance relating to public benefit and the advancement of education specifically. The Trustees ensure that all work undertaken is in line with the Foundation's charitable objects and aims.

Achievements and performance

a. Charitable activities

The charity's key objectives for 2023/2024 were:

- To retain a clear focus on living standards via robust analysis, all with a clear purpose of improving outcomes for low-to-middle income households;
- To consider what changes are needed to policies, structures and institutions so that the UK can navigate better the changes required to react to Brexit, Covid-19 and the move to net zero, and ensure robust economic growth that benefits all sections of society;
- To inform public and policy debate on the country's response to the cost of living crisis by documenting its impacts on living standards, and prescribing policy solutions to support low-to-middle income households and the underlying health of the UK economy.

One key change effecting this year was that the general election happened in July 2024, earlier than many had expected. This meant we brought forward into 2023/2024 all of our election-related work, some of which would otherwise have happened in 2024/2025. As a result, we also postponed to 2024/2025 the start of a major project to understand the lives of low-to-middle income Britain.

The Economy 2030 project

We published the last of the papers and essays for the Economy 2030 Inquiry. The Economy 2030 project concluded with a book-length final report, launched at a major event in December 2023. This synthesised approximately 70 reports and developed an economic strategy supported by detailed policy recommendations designed to address low growth and high inequality. Since then, we have focused on sharing its conclusions at events around the UK, and, since July 2024, with the new Government.

The UK General Election

We produced a series of papers providing context to the July 2024 general election, setting out the previous Government's record, discussing the key challenges that await whoever would go on to form the next government; and discussing the content of the main two parties' manifestos.

Cost of living and living standards

At the start of the year, we fielded our final large-scale survey to learn about how families are coping with rising costs, and the impact on their health and financial resilience. As the year finished, we published our regular Living Standards Outlook, providing income growth projections up to 2029-30 using economic forecasts and policy assumptions inherited by the new Government.

Job, skills and pay

We concluded a long-running project on Young People's Mental Health with a high-profile policy report. We assessed how minimum wage uprating affects living standards, as well as covering low pay more broadly in our annual Low Pay Britain report, which focused on the new Government's proposed employment reforms. We also began a project on high-frequency volatility in pay, especially among the low paid; we kicked off a new programme of work on precarity in the workplace; and we continued to work with the Living Wage Foundation to

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Achievements and performance (continued)

calculate the Real Living Wage.

Housing, wealth and debt

Our housing work investigated what sits behind the rapid growth in private rents through 2023 and 2024. As the new Government came into office and very quickly announced reforms to the planning regime, we looked at whether these alone would be enough to deliver the Government's ambitious house-building targets. On household wealth, our focus has been on how falls in asset prices – which are the flipside to rising rates – are affecting the size and distribution of wealth. This has included updating 'nowcasts' of where the wealth distribution is, publishing work on what this means for the new Government, and producing a major piece on the adequacy of pension saving in the context of the changed economic environment.

Tax and welfare

We looked at issues concerning benefit uprating, LHA rates, and childcare support for parents in education.

Firms and productivity

We began work analysing regional inequality in productivity and pay using the Longitudinal Education Outcomes data. We also quantified the potential impact of the new Government's growth reforms.

Intergenerational Centre

In autumn 2023, we published our regular Intergenerational Audit, which focused on comparing the US experience – where millennials have begun to make up some of the lost ground with previous generations – with the UK.

Macroeconomic Policy Unit

Fiscal policy challenges have, once again, dominated. As well as publishing our usual preview and overnight analysis of the Spring 2024 Budget, we produced a major pre-election piece on the difficult fiscal inheritance facing the new Government. Meanwhile we have continued to use our Macroeconomic Policy Outlooks to discuss the key forces shaping the economy. We also produced a major piece on the effect of high inflation on low-to-middle income families.

Net zero

Our work on net zero has continued to focus on the implications of the transition to a net zero carbon economy for low-to-middle income families. This work has taken a 'sectoral' approach to assessing the costs and benefits of policy in this area. The first of these publications considered how the energy sector is adapting to the demands of the move to zero-carbon electricity; the second on how policy makers can drive a fair transition in the transport sector.

Trade

Our work on trade looked at trade in services by UK region, and the changing exposure of workers and firms to trade.

Ventures

The Workertech Partnership continued into this year, making additional investments and running a series of events, as well as a pre-investment support programme, which provided grant funding and mentoring to three entrepreneurs with future of work proposals. In November 2023, we held a Workertech Conference, bringing together investors, entrepreneurs and policymakers. We also published an Impact report highlighting impact through the portfolio on more than 130,000 UK workers. We have continued to develop a larger social impact investing fund, with commitments secured from other foundation partners.

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Achievements and performance (continued)

b. Fundraising activities and income generation

The Charity does not actively solicit donations directly from the public and does not use third parties for fundraising. Therefore it is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. Where donations from individuals or trusts and foundations are received, the Charity would ensure personal data is appropriately protected. The Charity received no complaints within the year regarding fundraising.

Financial review

a. Financial position

The Financial statements show income for the year of £4,046,920 (2023: £3,659,969) with expenditure in the year of £3,738,286 (2023: £3,414,407).

The income to the charity comprise donations from the Resolution Trust which was established by Sir Clive Cowdery in 2007 and provides ongoing funding for the Resolution Foundation. Other income include donations and payments from charitable trusts and other organisations for project specific work, bank interest received in the year, an administration fee for work carried out on behalf of the Resolution Trust and other miscellaneous donations and payments for ad hoc activity like speaking engagements.

In June 2022, the Trustees of the Resolution Trust agreed minimum funding for the Foundation of £2,500,000 for 2022/2023, £2,500,000 for 2023/2024, and £2,500,000 for 2024/2025. In January 2023, the Trustees of the Resolution Trust agreed to increase this minimum funding for the Foundation to £2,560,000 for 2022/2023, £2,560,000 for 2023/2024, and £2,560,000 for 2024/2025.

At 30 September 2024, the Charity had free reserves totalling £2,038,879 (2023: £1,813,651). In addition, funds held for restricted purposes amounted to £83,406 (2023: £54,081).

b. Reserves policy

The Trustees have received as part of their funding commitment from the Resolution Trust a commitment that the Trust will meet any costs associated with the winding up of the Resolution Foundation. In addition to the Trust's commitment, the Trustees of the Foundation consider it wise to maintain a level of reserves commensurate with covering immediate commitments. As such, the Trustees consider the optimal level of free reserves to be at least three months running costs or c£1,000,000. Trustees manage income and expenditure prudently in order to deliver at least that level of free reserves.

c. Future plans

The charity's key objectives for 2024/2025:

- To retain a clear focus on living standards via robust analysis, all with a clear purpose of improving outcomes for low-to-middle income households;
- To inform public and policy debate on economic and fiscal policy by outlining the forecasts for and impacts on living standards, documenting the changes in the economic circumstances of low and middle income families in recent decades, and prescribing policy solutions to support low-to-middle income households;
- To continue to promote the implementation of Economy 2030 recommendations and to consider what further policy changes are needed to support robust economic growth that benefits all sections of society;

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

- To establish a Workertech social investment fund aimed at improving conditions for those in low-paid or precarious work.

Incomes and inequality

We will publish our regular Living Standards Outlook, giving projections of income growth under the new Government. We will begin a major new project ('Unsung Britain') on the changing circumstances of low-to-middle income Britain, covering work, housing, health and care, credit and debt, and income sources and income dynamics.

Job, skills and pay

We will complete work on earnings volatility. We will advise the Government on a new mandate for the Low Pay Commission. We will support a review of the Real Living Wage. We will complete a multi-year project on precarious work. We will make recommendations for new collective work arrangements. We will continue to monitor the quality of labour market statistics. We will begin work on the 'job ladder' and how this varies for different types of worker.

Housing, wealth and debt

On household wealth, in collaboration with abrdn Financial Fairness Trust, we will produce a policy 'deep dive' that will focus on the evidence for reforming the treatment of wealth in the working-age benefit system. This will be followed by work on a 'wealth audit' that will use newly available data on developments during the pandemic. We will also look at ethnic inequalities in housing costs and quality.

Welfare and poverty

We will do research and make policy proposals to inform the Government's child poverty strategy. We will continue our work on understanding the rising prevalence of disability across society, and will set out the options for and impact of disability benefit reform.

Firms and productivity

We will complete work on explaining regional differences in productivity and wages and deriving policy implications. We will compare and contrast productivity in the UK and US. We will give advice to the new Government as it formulates its new Industrial Strategy, and as it decides how to spend the planned increases in public investment. We will update our estimates of the dynamism of the UK corporate sector, and dive more deeply into non-tradable services and multi-site firms as drivers of growth.

Intergenerational Centre

Our regular Intergenerational Audit look at flows of intergenerational support, in cash and in-kind.

Macroeconomic Policy Unit

We will analyse the new Government's changes to tax, spending and fiscal policy at fiscal events and explain the implications of OBR forecasts for households. The 2025 Spending Review will be a centerpiece to the Government's policy agenda setting out new spending priorities for the rest of the Parliament. We will produce preview and response to all these events focusing on the impact of the decisions on low-to-middle income families. We will also use our Macroeconomic Policy Outlooks to focus on topical issues.

Net zero

We will continue the sectoral approach to the policy challenges of driving a fair transition to net zero. This will involve looking at decarbonising UK travel; the challenges that net zero poses for domestic heating; and reforms to the retail energy markets.

Trade

We will study the impact of President Trump's trade policy on the UK economy. We will update our view of what aspects of trade are most relevant for UK low-to-middle income families and, relatedly, how trade developments transmit to them.

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Ventures

We will complete the establishment of a larger Workertech social impact fund this year, having secured cornerstone commitments from foundation partners. This venture investment fund will invest in early stage technology ventures that can improve work for those in low-pay or in precarious work, with unstable incomes and less access to training. Alongside this work, we will continue to support the development of worker-centric technologies with programmes for those with lived experience of low-paid work, and events and resources to support the Workertech ecosystem.

Structure, governance and management

a. Governing document

The Resolution Foundation was incorporated on 11 October 2005 as a company limited by guarantee and was registered as a charity on 24 June 2006. The Charity is governed by its Memorandum and Articles of Association.

b. Recruitment and appointment of new trustees

The Trustees (who are also the directors of the charitable company for the purposes of company law) are a self-appointing body with each Trustee initially appointed for a three-year term. New Trustees can be nominated by any existing Trustee and are appointed according to relevant skills and experience.

c. Organisational structure

Trustees attend regular meetings where progress, strategy and plans are discussed. They are also sent relevant documentation including minutes of meetings. The Trustees meet as necessary and not less than three times each year, and all key decisions affecting the Charity are made at these meetings. The Trustees appointed Torsten Bell as Chief Executive in September 2015 who had day to day responsibility for all operational matters until he stepped down in June 2024. Mike Brewer (Deputy Chief Executive) served as Interim Chief Executive between July 2024 and January 2025. The Right Hon. Lord David Willets (President of the Advisory Council and Intergenerational Centre) was appointed in June 2015.

d. Induction and training of new trustees

Trustees are given an in-depth introduction to the organisation and the role of Trustees through a formal induction process and meetings with the Chair of Trustees and the Chief Executive.

e. Key management remuneration

The key management personnel of the Foundation are those persons having authority and responsibilities for planning, directing and controlling the activities of the entity, directly or indirectly, including any Trustees of the entity. For the Foundation, they comprise the Executive Chair, the President of the Advisory Council and Intergenerational Centre, the Chief Executive, the Deputy Chief Executive, the Director of Communications and the Director of Resources. The remuneration of the Chair, the President of the Advisory Council and Intergenerational Centre, and the Chief Executive is set by the Trustees. All other staff salaries are set by the senior management team. Salaries are benchmarked using comparisons with charities and public policy related organisations in similar labour markets both by geography and issue areas, taking into account factors including inflation and the Foundation's financial position. The Foundation is an accredited Living Wage employer. All our staff and contractors are paid at least the Living Wage which is an hourly rate set and updated annually, based on the cost of living.

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Structure, governance and management (continued)

f. Related parties

Trustees are required to disclose all relevant interests, register them with the Chief Executive and withdraw from decisions where a conflict of interest arises. All Trustees give of their time freely and no Trustee remuneration or travel expenses were paid during the year. The Trustees who acted during the year are those listed in this report. Related party transactions are disclosed in the notes to these financial statements.

g. Risk management

The Trustees acknowledge their responsibility for establishing a risk management system and are satisfied that appropriate systems and procedures have been established to identify and manage the major risks faced by the Charity.

The Foundation has a risk management strategy in place. The risk register is reviewed annually by the board of Trustees and monitored by the senior management team who take responsibility for implementation of the policies and procedures identified to mitigate risks. In addition, risk reviews are undertaken regularly by the Trustees and senior management team to ensure the Foundation's operational rigour, attachment to purpose and independence are maintained.

The most significant external risk identified during the year was associated with the importance of maintaining political neutrality during a General Election period. Risks were mitigated by actively promoting, practising and monitoring our well-established Political Neutrality Policy. During the election period, we paused regular outputs and focused on issues raised during the campaign in order to add value to public debates on key living standards issues. Research outputs included neutral and evidence-based analyses of all the main parties' policies on key issues to aid public understanding of impact, and our communications strategy prioritised protecting our reputation for independence. Charity Commission Guidance on Political Activity and Campaigning by Charities (published 12 October 2022) and Guidance on Charities, Elections and Referendums (updated 7 November 2022) was also reviewed by trustees and communicated to the staff team in dedicated training sessions.

The most significant organisational risk faced during the year related to the Chief Executive stepping down at short notice in June 2024. The key risks arising from this were the impact on staff, the impact on immediate high-profile work (including navigating our response to the General Election), and a risk of weakening in stakeholder relationships. The Trustees mitigated these risks by: appointing Mike Brewer (Deputy Chief Executive) as Interim Chief Executive and temporarily expanding the role of Gavin Kelly (Executive Chair); ensuring communication with key stakeholders in the civil service and the media was prioritised; and working with an Executive Search team to expedite succession plans.

Events since the end of the year

Gavin Kelly (Chief Executive 2010-2015) stepped down from his role as Executive Chair in December 2024. The Trustees appointed Ruth Curtice as Chief Executive in January 2025.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Statement of Trustees' responsibilities (CONTINUED)

of the state of affairs of the Charity and of its income and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

In November 2024, Haysmacintyre LLP changed its name to HaysMac LLP.

The auditors, HaysMac LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

These financial statements have been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by order of the members of the board of Trustees and signed on their behalf by:

Clive Cowdery

Date: 25/06/2025

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RESOLUTION FOUNDATION

Opinion

We have audited the financial statements of The Resolution Foundation (the 'charity') for the year ended 30 September 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 30 September 2024 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RESOLUTION FOUNDATION
(CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- 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 our 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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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.

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RESOLUTION FOUNDATION
(CONTINUED)

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.

Auditors' 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 Auditors' 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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to registered charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011 and other factors such as income tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to areas of estimation uncertainty and to manual accounting journals. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates.

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

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

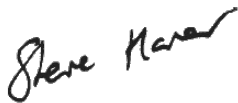
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RESOLUTION FOUNDATION
(CONTINUED)

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Steven Harper (Senior Statutory Auditor)

for and on behalf of

HaysMac LLP

Statutory Auditors

10 Queen Street Place

London

EC4R 1AG

Date: 26 June 2025

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	4	2,579,790	1,270,610	3,850,399	3,605,808
Investments	5	135,525	-	135,525	8,820
Other income	6	60,995	-	60,995	45,341
Total income		2,776,310	1,270,610	4,046,920	3,659,969
Expenditure on:					
Charitable activities	7	2,497,001	1,241,285	3,738,286	3,414,407
Total expenditure		2,497,001	1,241,285	3,738,286	3,414,407
Net movement in funds		279,309	29,325	308,634	245,562
Reconciliation of funds:					
Total funds brought forward		1,759,570	54,081	1,813,651	1,568,089
Net movement in funds		279,309	29,325	308,634	245,562
Total funds carried forward		2,038,879	83,406	2,122,285	1,813,651

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 38 form part of these financial statements.

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05588883

BALANCE SHEET
AS AT 30 SEPTEMBER 2024

	Note	2024 £	2023 £
Fixed assets			
Investments	12	537,317	577,362
Current assets			
Debtors	13	1,488,822	1,383,270
Cash at bank and in hand		831,661	1,035,210
		<u>2,320,483</u>	<u>2,418,480</u>
Creditors: amounts falling due within one year	14	(735,515)	(1,032,191)
Net current assets		<u>1,584,968</u>	<u>1,386,289</u>
Total assets less current liabilities		<u>2,122,285</u>	<u>1,963,651</u>
Creditors: amounts falling due after more than one year	15	-	(150,000)
Total net assets		<u><u>2,122,285</u></u>	<u><u>1,813,651</u></u>
Charity funds			
Restricted funds	16	83,406	54,081
Unrestricted funds	16	2,038,879	1,759,570
Total funds		<u><u>2,122,285</u></u>	<u><u>1,813,651</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Clive Cowdery

Date: 25/06/2025

The notes on pages 18 to 38 form part of these financial statements.

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash (used in)/provided by operating activities	(220,279)	764,635
Cash flows from investing activities		
Purchase of social investments	(209,941)	(339,876)
Impairment of social investments	110,017	-
Interest received	9,485	8,820
Disposal of investments	139,969	-
Net cash provided by/(used in) investing activities	49,530	(331,056)
Cash flows from financing activities		
Repayments of borrowing	(32,800)	-
Net cash (used in)/provided by financing activities	(32,800)	-
Change in cash and cash equivalents in the year	(203,549)	433,579
Cash and cash equivalents at the beginning of the year	1,035,210	601,631
Cash and cash equivalents at the end of the year	831,661	1,035,210

The notes on pages 18 to 38 form part of these financial statements

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

1. General information

The Resolution Foundation is a company limited by guarantee incorporated in England and Wales, registration number 05588883 (charity number 1114839).

The registered address is 2 Queen Anne's Gate, London, SW1H 9AA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The Resolution Trust is committed to ongoing funding and there is also a pipeline of funding from other sources. On that basis the charity is considered to be a going concern.

2.3 Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations are recognised as income in the year in which the donor states the funds should be expended. Where no such statement is made the income is recognised in the year in which it is receivable.

Income received in advance for the provision of a specified service is deferred until the criteria for income recognition are met.

Investment income is recognised when receivable and the amount can be measured reliably by the charity.

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

2. Accounting policies (continued)

2.4 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Support costs comprise of costs associated with the management and administration of the charity and governance costs which are incurred in connection with the general running of the charity as opposed to the management and administration of its activities. They include costs relating to constitutional and statutory requirements.

2.5 Investments

Investments are a form of basic financial instrument and comprise investments in equity investments which are initially recognised at their transaction value and are subsequently assessed for impairment at year-end. Any impairment is disclosed within the statement of financial activities as charitable activities.

2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.9 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

2. Accounting policies (continued)

2.10 Pensions

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2.11 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Unrestricted funds are those where there are no externally imposed restrictions and are available for use at the discretion of the Trustees for expenditure on its objects or appropriated to reserves for internally designated purposes.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2.12 Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

2.13 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

3. Critical accounting estimates and areas of judgement

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the accounts are described in the accounting policies and are summarised below:

Valuation of social investments - the charity's social investments are held at cost less impairment.

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

4. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Grants	2,579,790	1,270,610	3,850,400
	<u>2,579,790</u>	<u>1,270,610</u>	<u>3,850,400</u>
	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Grants	2,503,188	1,102,620	3,605,808
	<u>2,503,188</u>	<u>1,102,620</u>	<u>3,605,808</u>

Resolution Trust are committed to fund the Foundation for the foreseeable future having awarded grants totalling £7,680,000 with effect from 1 October 2022. Of this, £2,560,000 will be received over the next year. Levels of funding for October 2025 onwards will be confirmed during 2025.

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Grants received, included in the above, are as follows:

	2024 £	2023 £
Citizens UK	13,000	-
Ernst & Young	-	13,000
ESRC Aston University	20,660	-
ESRC Southampton	89,794	72,309
European Climate Foundation	156,482	-
Incorporated Society of British Advertisers	-	5,000
Intergenerational Futures Forum	-	6,774
JP Morgan	115,184	-
JRF: Earnings Volatility	30,000	-
National Grid	-	13,000
Natwest	-	10,414
Nuffield Foundation	329,424	653,718
Other miscellaneous grants	6,730	1,774
Resolution Trust	2,560,000	2,460,000
Standard Life	39,500	64,500
The Health Foundation	27,905	155,894
Unbound Philanthropy	50,000	-
Ventures Workertech grant income	411,721	149,425
	3,850,400	3,605,808
	2024 £	2023 £

Total funding held in the year in respect of Ventures is as follows:

Resolution Trust	-	100,000
Ufi VocTech Trust	45,000	120,000
Friends Provident Foundation	44,648	33,177
Trust for London	18,465	90,282
Accenture (via Resolution Trust)	-	2,500
	108,113	345,959

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Investment income - other local unlisted	126,039	126,039
Bank Interest	9,486	9,486
	<u>135,525</u>	<u>135,525</u>
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Bank Interest	8,820	8,820
	<u>8,820</u>	<u>8,820</u>

6. Other income

	Unrestricted funds 2024 £	Total funds 2024 £
Administration charges	4,944	4,944
Miscellaneous income	56,051	56,051
	<u>60,995</u>	<u>60,995</u>
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Administration charges	4,944	4,944
Miscellaneous income	40,397	40,397
	<u>45,341</u>	<u>45,341</u>

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

Miscellaneous income in 2024 and 2023 consists of payment for contracted research projects and other ad hoc activity like articles and speaking engagements.

	2024 £	2023 £
Allia	6,750	-
Citizens UK	36,777	16,500
Ernst & Young	-	4,000
Guardian/Observer	3,771	4,626
Holtek	7,000	-
Joseph Rowntree Foundation	-	9,000
Natwest	-	4,000
Others	1,753	2,271
	56,051	40,397

The above income is wholly unrestricted.

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Research and Education	2,497,001	1,241,285	3,738,286
	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total 2023 £</i>
Research and Education	2,205,061	1,209,346	3,414,407

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

8. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Research and Education	3,644,817	93,470	3,738,287

	<i>Activities undertaken directly 2023 £</i>	<i>Support costs 2023 £</i>	<i>Total funds 2023 £</i>
Research and Education	3,328,789	85,619	3,414,408

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Other operating leases	3,887	5,356
IT support and supplies	38,581	35,744
Insurance	7,346	4,978
Postage and stationery	501	339
Memberships and subscriptions	3,490	2,302
Photocopier charges	4,348	2,954
Payroll and finance support	8,583	8,981
Travel	5,256	4,415
Auditors' remuneration	20,400	19,440
Sundries	1,078	1,110
	93,470	85,619

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

9. Auditors' remuneration

	2024 £	2023 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	18,900	18,000
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	1,500	1,440
	<u><u> </u></u>	<u><u> </u></u>

10. Staff costs

	2024 £	2023 £
Wages and salaries	1,909,201	1,854,011
Social security costs	226,769	226,724
Contribution to defined contribution pension schemes	130,326	127,365
	<u><u>2,266,296</u></u>	<u><u>2,208,100</u></u>

The average number of persons employed by the Charity during the year was as follows:

	2024 No.	2023 No.
Total	30	31
	<u><u> </u></u>	<u><u> </u></u>

The average headcount expressed as full-time equivalents was:

	2024 No.	2023 No.
Total	30	28
	<u><u> </u></u>	<u><u> </u></u>

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

10. Staff costs (continued)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
	No.	No.
In the band £60,001 - £70,000	2	3
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	1	3
In the band £90,001 - £100,000	3	1
In the band £100,001 - £110,000	1	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
In the band £130,001 - £140,000	1	1
In the band £140,001 - £150,000	1	1

Key management personnel

The total employee benefits paid to key management personnel during the year amounted to £734,888 (2023: £757,981).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 30 September 2024, expenses totalling £325 were reimbursed or paid directly to 1 Trustee (2023 - £NIL to Trustee).

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

12. Social investments

	Programme related investments equity £
Cost	
At 1 October 2023	577,362
Additions	209,941
Disposals	(139,969)
At 30 September 2024	647,334
Impairment	
Charge for the year	110,017
At 30 September 2024	110,017
Net book value	
At 30 September 2024	537,317
At 30 September 2023	577,362

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

Investments comprise the following:

	2024 £	2023 £
Subtap Limited	-	30,016
Breakroom / Poplar Technologies Limited	-	139,969
Career Ear	80,007	30,000
Ikigai Data	-	25,001
Social Innovation Camp	47,500	47,500
TaskHer	69,825	49,876
Equal Care	50,000	50,000
Mobilise	50,000	50,000
Valla Ltd	50,000	50,000
Organise Ltd	70,000	70,000
Greenworkx	70,000	-
Slinger Staff Ltd	49,985	-
	<u>537,317</u>	<u>542,362</u>

Social Innovation Camp comprises support for TaskHer (£27,500) and Planna (£20,000) via Bethnal Green Ventures.

Shares held in Breakroom / Poplar Technologies Limited have been sold for £161,015, with £126,039 received during year ending September 2024, and £34,975 expected to be received during year ending September 2025. The gain on disposal of £20,946 has been recognised within other income.

Net book value at 30 September 2024 is represented by:

	2024 £	2023 £
Equity		
Net book value	537,317	577,362
	<u>537,317</u>	<u>577,362</u>

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

13. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	37,718	453,527
Other debtors	150,000	150,000
Prepayments and accrued income	1,301,104	779,743
	<u>1,488,822</u>	<u>1,383,270</u>

14. Creditors: Amounts falling due within one year

	2024 £	2023 £
Other loans	117,200	-
Trade creditors	23,627	98,784
Accrued expenses	35,381	70,493
Accruals and deferred income	559,307	862,914
	<u>735,515</u>	<u>1,032,191</u>

Deferred income relates to amounts received but not yet utilised for ventures. The rate of recognition of deferred income into the Statement of Financial Activities, depends on the rate of expenditure.

	2024 £	2023 £
Deferred income at 1 October 2023	862,914	645,380
Resources deferred during the year	140,530	394,773
Amounts released from previous periods	(444,137)	(177,239)
	<u>559,307</u>	<u>862,914</u>

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

15. Creditors: Amounts falling due after more than one year

	2024	2023
	£	£
Other loans	-	150,000
	<u> </u>	<u> </u>

Included within the above are amounts falling due as follows:

	2024	2023
	£	£
Between one and two years		
Other loans	-	150,000
	<u> </u>	<u> </u>

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

16. Statement of funds

Statement of funds - current year

	Balance at 1 October 2023 £	Income £	Expenditure £	Balance at 30 September 2024 £
Unrestricted funds				
General Funds - all funds	<u>1,759,570</u>	<u>2,776,310</u>	<u>(2,497,001)</u>	<u>2,038,879</u>
	Balance at 1 October 2023 £	Income £	Expenditure £	Balance at 30 September 2024 £
Restricted funds				
Unbound Philanthropy - Precarious workers	-	50,000	(25,097)	24,903
ESRC Southampton	-	89,794	(89,794)	-
ESRC Aston	-	20,660	(20,660)	-
Health Foundation (Fellowship)	15,082	10,584	(25,666)	-
RF Ventures - Workertech Partnership	-	411,720	(411,720)	-
Nuffield Foundation - Economy 2030 Inquiry	-	259,995	(259,995)	-
Nuffield Foundation - General Election	-	69,429	(69,429)	-
JRF	-	30,000	(30,000)	-
Intergenerational Futures Forum	6,775	-	-	6,775
European Climate Foundation	-	156,482	(147,956)	8,526
Health Foundation - Cost of Living	32,224	17,262	(49,486)	-
abrdn Financial Fairness Trust - Wealth audit	-	39,500	(39,500)	-
People's Partnership	-	-	(15,126)	(15,126)
JPM Chase Foundation	-	115,184	(56,856)	58,328
	<u>54,081</u>	<u>1,270,610</u>	<u>(1,241,285)</u>	<u>83,406</u>
Total of funds	<u><u>1,813,651</u></u>	<u><u>4,046,920</u></u>	<u><u>(3,738,286)</u></u>	<u><u>2,122,285</u></u>

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 October 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 September 2023 £</i>
Unrestricted funds				
General Funds - all funds	<u>1,406,857</u>	<u>2,557,774</u>	<u>(2,205,061)</u>	<u>1,759,570</u>
Restricted funds				
Unbound Philanthropy - Precarious workers	32,916	-	(32,916)	-
ESRC Southampton	18,454	-	(18,454)	-
ESRC Aston	29,203	25,000	(54,203)	-
Health Foundation (Fellowship)	80,659	-	(65,576)	15,083
RF Ventures - Workertech Partnership	-	149,000	(149,000)	-
Nuffield Foundation - Economy 2030 Inquiry	-	653,718	(653,718)	-
Intergenerational Futures Forum	-	72,309	(72,309)	-
Health Foundation - Cost of Living	-	155,894	(123,670)	32,224
abrdrn Financial Fairness Trust - Wealth audit	-	39,500	(39,500)	-
People's Partnership	-	6,774	-	6,774
	<u>161,232</u>	<u>1,102,195</u>	<u>(1,209,346)</u>	<u>54,081</u>
Total of funds	<u><u>1,568,089</u></u>	<u><u>3,659,969</u></u>	<u><u>(3,414,407)</u></u>	<u><u>1,813,651</u></u>

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

16. Statement of funds (continued)

abrdn Financial Fairness Trust (formerly Standard Life) – Wealth Audit (2023 – 2027)

A four year grant supporting research and analysis that aims to build evidence on the level and inequality of household wealth in Britain, with the objective of improving policy making through rigorous analysis and engagement in policy debates. £48,882 of costs incurred on this project during the year were from unrestricted funds.

European Climate Foundation

This project aims to improve the public discourse on how the net-zero transition impacts the living standards of low-to-middle income households and, ultimately, identify policies which will drive a fair and equitable progress towards decarbonisation.

ESRC / Southampton University - Intergenerational Centre

A five-year ESRC-funded project in collaboration with the University of Southampton, University of St Andrews, and University of Oxford, to innovate understanding of intergenerational relations and population change; re-think intergenerational connections for post-Brexit/Covid society; and produce novel science that will drive policy thinking towards improving the lives of individuals, families, communities and businesses.

ESRC / Aston University – Levelling Up Sandpit

This project aims to analyse what drives the large and persistent productivity differences across regions in the UK. Despite their importance, the factors behind these spatial economic imbalances are still poorly understood. The project will focus on the interaction between the distribution of workers' skills, the characteristics of firms, and local factors like infrastructure and amenities across areas. Understanding and addressing the root causes of the UK's severe spatial disparities in economic performance is crucial for enabling more inclusive, regionally balanced growth and boosting national productivity.

Health Foundation – Cost of Living Survey

This project seeks to explore the health impacts of the cost of living crisis and includes undertaking three surveys between November 2022 and May 2023. The surveys will cover the UK adult population and will assist understanding of the scale and depth of the cost of living crisis. £997 of costs incurred on this project in the year was from unrestricted funds.

Health Foundation - Securing high quality work for young adults

This three-year project, supported by the Health Foundation who are committed to bringing about better health and health care for people in the UK, focuses on the impact of poor quality work on young people and the difficulties they face in accessing high quality work. £9,889 of costs incurred on this project in the year was from unrestricted funds.

Intergenerational Futures Forum Group - Intergenerational Centre

A donation made in memory of Baroness Sally Greengross, OBE to fund research and policy work, including a public event, relating to intergenerational issues.

Joseph Rowntree Foundation – Earnings Volatility

This project considers volatility and dynamics in employee earnings at the level of the individual (not the family or household) for a very large sample that is representative of employees in the UK. Since earnings are the largest single source of household income, this project will contribute substantially to the goal of understanding more about household income volatility and how the UK labour market provides secure streams of income for workers. £20,405 of costs incurred on this project during the year was from unrestricted funds.

JPM Chase Foundation - Financial Health and Resilience across Europe

The purpose of the grant is to provide rigorous insight into the challenge of financial resilience among low-to-middle income households across a range of European countries; and scope the role that

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

16. Statement of funds (continued)

financial inclusion labs, or alternative policy interventions, could play in pioneering new high-impact solutions to this problem.

Nuffield Foundation - Economy 2030 Inquiry

The Economy 2030 Inquiry, a collaboration with the Centre for Economic Performance (CEP) at the London School of Economics (LSE), funded by the Nuffield Foundation, is a three year project which aims to address the question of economic change in light of the impact of Covid-19, the exit from the EU and the need to transition towards a Net Zero future.

Nuffield Foundation – General Election

The purpose of this grant is to provide a series of timely, informative and high-impact General Election briefings, to inform public debates on economic issues during the election campaign. The overall aims of the briefings are to improve the understanding of the factual evidence on key economic and social policy issues among the public, media and other commentators, and to drive up the reliability and accuracy of public claims. £58,372 of costs incurred on the project this year came from unrestricted funds.

RF Ventures - Workertech Partnership

The Workertech Partnership is a three year programme of social investment, in collaboration with Accenture, Friends Provident Foundation, the Joseph Rowntree Foundation, Trust for London and Ufi VocTech Trust, aimed at supporting the growth of new innovative start-ups seeking to change the world of work for the better.

Unbound Philanthropy - Precarious Workers / Labour Market Enforcement

This research programme explores labour market enforcement in the UK - especially for those at the bottom end of the labour market - and aims to put labour market enforcement more firmly on the policy agenda. The programme launched with a review of secondary data to establish the nature and scale of labour market violations, and then proceeded to explore two specific areas (minimum wage non-compliance and auto-enrolment) in depth.

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Fixed asset investments	-	537,317	537,317
Current assets	2,320,483	-	2,320,483
Creditors due within one year	(281,604)	(453,911)	(735,515)
Total	2,038,879	83,406	2,122,285

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Fixed asset investments	-	577,362	577,362
Current assets	2,418,480	-	2,418,480
Creditors due within one year	(508,910)	(523,281)	(1,032,191)
Creditors due in more than one year	(150,000)	-	(150,000)
Total	<u>1,759,570</u>	<u>54,081</u>	<u>1,813,651</u>

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net income for the period (as per Statement of Financial Activities)	<u>308,634</u>	<u>245,562</u>
Adjustments for:		
Dividends, interests and rents from investments	(9,485)	(8,820)
(Increase)/decrease in debtors	(105,552)	320,466
(Decrease)/increase in creditors	(413,876)	207,427
Net cash provided by/(used in) operating activities	<u>(220,279)</u>	<u>764,635</u>

19. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	<u>831,661</u>	<u>1,035,210</u>
Total cash and cash equivalents	<u>831,661</u>	<u>1,035,210</u>

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

20. Analysis of changes in net debt

	At 1 October 2023 £	Cash flows £	Other non- cash changes £	At 30 September 2024 £
Cash at bank and in hand	1,035,210	(203,549)	-	831,661
Debt due within 1 year	-	-	(117,200)	(117,200)
Debt due after 1 year	(150,000)	32,800	117,200	-
	<u>885,210</u>	<u>(170,749)</u>	<u>-</u>	<u>714,461</u>

21. Pension commitments

The charitable company operates a defined contribution pension scheme through The Pensions Trust with contributions being made by both employer and employees at variable rates. The assets of the scheme are held separately from those of The Resolution Foundation. Pension costs charged represent contributions payable by the Foundation to the Trust. Total pension costs in the current year amounted to £130,326 (2023: £127,365). At the year end £nil was due to the Trust (2023: £nil).

22. Operating lease commitments

At 30 September 2024 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	<u>179,440</u>	<u>179,440</u>

The following lease payments and changes in lease payments have been recognised in the Statement of Financial Activities:

	2024 £	2023 £
Operating lease rentals - property	<u>179,440</u>	<u>179,440</u>

THE RESOLUTION FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2024

23. Related party transactions

One of the trustees of the Foundation is the sole director of Resolution Service Management Ltd. The Foundation signed a five year lease with Resolution Service Management Ltd for new premises in November 2015. In December 2019, the Foundation signed a five year lease with Resolution Service Management Ltd which cancelled the November 2015 lease in favour of co-terminus leases for their existing premises and an additional floor within the same building. In November 2024, a new 5 year lease was signed on the same terms. The decision was taken by the independent trustees after considering market value and the benefits to the Foundation given the facilities and location.

Total rent paid to Resolution Service Management Ltd during the year amounted to £179,440 (2023: £179,440).

The Foundation shares two trustees with the Resolution Trust, a registered charity. During the year, the Foundation received a donation from the Trust which is disclosed within note 4 of the financial statements.

The Foundation also has a shared services agreement in place with the Resolution Trust for the time spent by the Executive Chair and the Director of Resources on Trust activity. The value of this for the year is £136,106 (2023 - £133,157).