

BIG CHANGE CHARITABLE TRUST

England & Wales · Charity number 1145224

Details

Other names	BCCT
Status	Registered
Legal form	Charitable company
Company number	07679479
Registered	2011-12-23
Register	View on the Charity Commission register

Contact

Address	7 Savoy Court London WC2R 0EX
Phone	02031263971
Email	info@big-change.org
Website	www.big-change.org

Activities

Objects: The charity's objects (Objects) are, for the public benefit: (a) to advance in life and help children and young people especially, but not exclusively, by providing support to programmes and activities which develop their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals; (b) to promote education and learning of children and young people in such ways as the Trustees see fit, including but not limited to, assisting initiatives whose aims include advancing education and learning of children and young people; (c) to advance any other charitable purpose which is recognised as exclusively charitable according to the laws of England and Wales as the Trustees may from time to time determine. Nothing in the articles shall authorise an application of the property of the charity for purposes which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and/or section 2 of the Charities Act (Northern Ireland) 2008.

Activities: Big Change is a social impact accelerator. We invest in big ideas that help young people thrive in live, not just exams.

Classification

- **How:** Makes Grants To Organisations, Provides Services
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Amateur Sport, Economic/community Development/employment, Recreation
- **Who:** Children/young People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, LOCAL.
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£2,471,756	£2,563,477	£3,150,901	17
2023-12-31	£2,921,262	£2,977,430	£3,213,530	14
2022-12-31	£3,000,206	£2,277,569	£3,222,008	13
2021-12-31	£2,178,984	£2,062,660	£2,621,651	10
2020-12-31	£1,199,038	£1,733,502	£2,415,928	9

Trustees

Name	Role	Appointed
PHILIP MICHAEL NEVIN	Chair	2011-12-23
BEATRICE YORK		2013-07-10
Benjamin James Hay		2017-01-12
CHRISTOPHER JOHN ADCOCK		2025-10-24
HOLLY ANDREWES		2011-12-23
Kathryn Ann Scott		2025-02-13
Maryam Chowdhury		2025-02-13
Nicholas John Iltid Kind		2025-02-13
Professor Dame Alison Margaret Peacock		2021-07-06
Rebecca Enobongabasi Esther Bassey		2025-02-13

BIG CHANGE CHARITABLE TRUST

England & Wales - Charity number 1145224

Accounts

Company number: 07679479
Charity number: 1145224

Big Change Charitable Trust

Report and audited financial statements
For the year ended 31 December 2024

Big Change Charitable Trust

Contents

For the year ended 31 December 2024

Reference and administrative information	1
Trustees' annual report	2
Independent auditor's report	12
Consolidated statement of financial activities	16
Balance sheet	17
Consolidated statement of cash flows	18
Notes to the financial statements	19

Big Change Charitable Trust

Reference and administrative information

For the year ended 31 December 2024

Company number	07679479 – incorporated in the United Kingdom	
Charity number	1145224 – registered in England and Wales	
Registered office	7 Savoy Court London WC2R 0EX	
Operational address	Whitfield Studios, 50A Charlotte St, London, W1T 2NS	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: P. Nevin H. K. T. Andrewes R. E. E. Bassey (appointed 13 February 2025) M. Chowdhury (appointed 13 February 2025) N. Duri (resigned 18 February 2025) B. J. Hay N. J. I. Kind (appointed 13 February 2025) J. Mills (appointed 13 February 2025, resigned 23 May 2025) A. Peacock D. Scott (resigned 3 January 2024) K. A. Scott (appointed 13 February 2025) B. York Chair	
Key management personnel	Vanessa North Ben Haber	Chief Executive Officer Managing Director
Bankers	Barclays Bank Leicester LE87 2BB	
Solicitors	Harbottle and Lewis LLP 7 Savoy Court, London WC2R 0EX	
Auditor	Godfrey Wilson Limited 5th Floor, Mariner House 62 Prince Street Bristol BS1 4QD	

The Trustees present their report and the audited financial statements for the year ended 31 December 2024.

Reference and administrative information set out on page 1 form part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

1. Chair's Report

Big Change was founded in 2011 to rethink how charity can be a catalyst for change. We are unashamedly hopeful for a future in which all young people are set up to thrive in life.

Mission - What we do

Big Change finds and invests in people challenging the status quo and leading change, backing their early-stage, high impact potential ideas. We provide opportunities for them to connect, learn and act together as part of a purpose-driven community rethinking and reshaping the systems around young people. Together we spark lasting change.

Why we do it

Too many young people are not thriving in life. The issues they face in society are multilayered and interconnected. They are unprepared for their futures, too often lack purpose and direction, and feel disconnected and powerless. The old ways are not working.

Most funding and energy goes into treating the symptoms of these systemic failures rather than reimagining the possibilities for a better future. People and organisations are drawn to closing gaps or making incremental improvements to existing models. To ensure every young person is set up to thrive, the systems around them need to change in big and deep-rooted ways.

Our approach

By investing in leaders and their ideas at an early stage, we help open doors to financial and social capital that can enable and embolden this intergenerational community of values-aligned changemakers. Collectively this community amplifies voices, champions systems change, and addresses entrenched barriers to lasting impact. We provide opportunities to connect, learn and act together, supporting a new type of leadership and generating a new wave of fresh thinking from grassroots to systemic innovation.

In support of this approach in 2024 we have;

- Identified and supported bold ideas in the UK
In 2024 we announced the winners of the Big Education Challenge. This £1m prize fund built on our 10 years of grantmaking experience supported and rewarded young people and experienced innovators who have bold ideas with the potential to transform education and learning in the UK. Designed to incentivise change from the bottom up, the prize surfaced and supported often underrepresented leaders from across the UK. In 2023, we announced the 15 finalists who received both financial and capacity-building support in partnership with the Young Foundation. The joint winners of the Gamechanges Prize were CanTeam, led by Jonathan Harper and Force of Nature, led by Clover Horgan. The winner of the Groundbreaker Prize was Paige Connect, led by Sergio Gosálvez.
- Generated insights, globally and locally, to support others to create lasting change
In 2024 we provided funding to, and took part in, the Catalyst Learning Alliance, which is a peer learning group of global organisations catalysing change for young people, taking a systemic approach. We have started the 2024/25 cycle of learning opportunities, including a set of "showcase" virtual sessions focusing on a set of strategic themes agreed upon by the group. Each showcase involves an organisation sharing their work along with time for attendees to probe and dig deeper around challenges and solutions.

To co-create learning and insight between our global network and core community and to develop a clear understanding of the kind of leaders (who) and leadership (how) that create lasting change, with and for young people, we have launched a collaborative research project which will take us through 2025. Starting with an Emergent Insights paper, we are inviting our community and key partners across the sector to contribute their insights and perspectives. On 14 November, we held a webinar where intergenerational leaders shared personal stories and reflections on the four dimensions of leadership.

We also attended the UN General Assembly in 2024 and funded one of our community members to attend the Salzburg Global Seminar.

- Worked with young people

In 2024, in line with our new strategy we reviewed our intergenerational collaboration strategy and activities. We recruited for, and onboarded, 2 new young Trustees, hosted an intern from the London Interdisciplinary School, worked with YouthxYouth to host a Weaver and recruited and onboarded 6 youth consultants. The consultants provided advice on our new brand and website and on the design of the 2025 Spark Awards. Our youth consultants will work with us as part of our next strategy development to ensure that intergenerational collaboration is embedded across everything that we do.

Projects

In addition to the Big Education Challenge winners, we continued to support several projects in 2024 that address some of the key levers for change identified through our learning. Their focus spanned from network building and learning (JoinedUp/UK Youth) and wellbeing (BeeWell), to re-thinking teaching and learning in a school setting (The New School).

Finances

As we exited Covid-19, our fundraising in 2023 was bolstered by 2 Strive Challenges, returning to our original schedule of 1 per year in 2024. Nevertheless, charitable donations for 2024 remained strong at £1,713,214 (2023: £1,705,722).

We are incredibly grateful to the ongoing support of our Catalyst Circle (Virgin Unite, the Strive Catalyst Circle and our other high net worth donors) for their funding of our core costs which have enabled us to continue to lean into the opportunities of our catalytic role alongside sector allies as well as challenge and evolve our own model of funding.

Our Strive Challenge events continue to provide a solid foundation for our income and also generate deep and trusted relationships with existing and new donors. We saw some income from our American Friends of Big Change for the 2024 Strive in the United Arab Emirates.

Our impact work in 2024 combined supporting the winners of The Big Education Challenge, partnering with allies around system change and activating a community of philanthropists to support transformation. Our expenditure on charitable activities was £1,968,933 (total 2024 expenditure: £2,563,477).

Building on the development of our new strategy, theory of change and impact framework, in 2025 we will focus on the following:

Designing and delivering the inaugural Spark Awards - building on what we learnt from the Big Education Challenge, the awards will fund and support up to 10 leaders or teams of three, who have pilot-ready projects that address the problems facing young people. Each selected changemakers will receive:

- Up to £40,000 to develop their project.
- A 12-month learning and development programme worth up to £10,000 tailored to support the delivery of their pilot, develop their leadership skills, and support their personal growth.

Big Change Charitable Trust

Trustees' annual report

For the year ended 31 December 2024

We will also design and deliver an additional funding methodology for Big Change that compliments the Spark Awards.

Strive for Big Changemakers: We are in the process of designing a multi-day retreat event for our community. It will be based on the philosophy and magic of the Strive Challenges, whereby "growth happens when you step out of your comfort zone, and magic happens when you do it with others." We will provide opportunities for personal transformation through high-quality knowledge sharing and informal connections.

Funding Collaborative Action within our community: Last year, we piloted supporting collective action which emerged from members of our community. This was through our funding to the UK-Ed Collab to create a coordinated, evidence-informed collective response to the government's Curriculum & Assessment review. Based on learning from this, we are exploring ways to expand this work through a small funding pot which aims to foster further collaborative action or collective advocacy within our community.

Continuing to Develop Our Ways of Working - We remain dedicated to continuously improving our internal processes and ways of working. By fostering a culture of agility and innovation, we aim to enhance efficiency, collaboration, and the overall effectiveness of our operations.

We will also develop and launch our 2026-2030 strategy by the end of the year. Thank you to everyone who has contributed to these achievements. Together, we spark lasting change.

Philip Nevin

Philip Nevin (Chair)
28 July 2025

2. About Big Change

We believe that for big change to happen we need to focus on systemic change:

To ensure young people thrive, their needs must be at the heart of the systems that support them - from education, health, and social care, to their communities. These are the spaces where young people learn, giving them opportunities to grow in confidence; build strong, supportive relationships; develop a sense of agency to influence their lives and their communities; and discover purpose through meaningful contribution and connection. By placing young people at the centre of these spaces, we can create lasting and positive change.

We hope to see a world that:

- Nurtures an ambitious set of goals for young people, rethinking the way society understands success by valuing the whole person.
- Works across generations with young people and communities to create change together.
- Fosters trust and relationships between people, organisations and breaks down barriers.
- Prioritises learning, adapting and growing to support ongoing change.

So that young people:

- Stay curious and take opportunities to live meaningfully and with purpose.
- Believe in themselves and their ability to influence their lives and the world around them.
- Enjoy access to deep networks of support with strong and trusting relationships.
- Develop a lasting love of learning, embracing opportunities to build the skills they need, now and in the future.

Our Approach to Funding Change

We invest in changemakers at an early stage

We embrace the uncertainty of early-stage ventures, dedicating most of our funding over the past decade to bold, new ideas at their inception.

We commit for the long term

We know that Impact doesn't happen overnight, it takes time. We give our community the space, support, and time to test their ideas and drive real change.

We back Big Changemakers

The leaders we support don't just think big, they lead differently. They are close and connected to the problems they're solving and collaborate to create lasting impact.

We strive to be intergenerational and inclusive

We believe that there is strength in supporting all generations of leaders, and that there is as much wisdom and value in lived experience as there is in years of experience in the workplace. We create change with, not to, young people, and ensure their needs are at the center of every project we back.

We're impact first

We support a diverse range of people, projects, and enterprises, because what matters is that they deliver meaningful, human-centred change for young people.

Our support goes beyond funding

Our community offer provides all those who receive our grant funding with a space to build trust and relationships, learn with and from each other, co-create new ideas and insights, and champion big change together - both during their funded period and beyond.

Big Change Charitable Trust

Trustees' annual report

For the year ended 31 December 2024

The Big Change Way:

Big Changemakers are united by a common goal and drive to do things differently. Our community is:

- Undaunted - we are brave, we challenge the status quo, and we never give up.
- Human-centred - we are hopeful, open, and compassionate.
- Connected - we invest in relationships and networks to bring people and ideas together.
- Insight-led - we ask questions, learn, and share insights across our communities.
- Catalytic - we are creative and innovative in our approach to creating change.

For more information please see big-change.org.

3. Our Projects

Big Change will only happen if we do things differently, which is why we fund in the areas where there is a critical need. We have a unique opportunity to add value and that, if changed, could have a broader systemic impact.

When considering projects, we are particularly interested in the following key criteria:

1. Does the applicant have a bold ambition for system change, with the potential to significantly impact the broader sector? What is the unique and disruptive insight that can change the way things are done?
2. Does the idea focus on positive growth: would the project support young people to unlock their potential, and make a real difference?
3. Does the proposal demonstrate that there is a clear and compelling need? Is there a clear benefit to the education/youth development sector in the UK, and would the project have support from sector experts and other practitioners?
4. Do the team have passionate leadership: are the right people in place with the expertise and experience to fulfil their big ambition?
5. Is the project a good fit for Big Change: can we add significant value to the project?

4. Financial Review

Operating budget and grant-making

We are grateful to Virgin Unite and our Catalyst Circle members for supporting Big Change's operating expenditure in 2024. Operating expenditure totalled £1,238,595 (2023 - £1,117,898) which includes staff costs, general expenses and other overhead costs.

During the year Big Change received in-kind donations amounting to £209,606 (2023 - £125,820). The Trustees would like to thank Virgin Management Limited for providing donations in-kind of office space, IT support and professional services such as finance and taxation advice; and DLA Piper and Pinsent Masons for providing pro bono legal support.

During the year the cost of charitable activities was £1,968,933 (2023: £2,043,505). This includes finding and backing impact projects totalling £1,177,956 (2023: £1,232,219) as highlighted in Section 3, Our Impact.

For the 12 months ending 31 December 2024, costs (before net gains/(losses) on investments) exceeded income by £91,721 (2023: £56,168). Total income, including Trading income and in-kind donations, was £2,471,756 (2023: £2,921,262) which comprised mainly charitable donations (including in-kind donations) of £1,922,820 (2023: £1,831,542). Consolidated unrestricted reserves increased during the period to £3,099,901 (2023: £3,079,617).

Big Change Charitable Trust

Trustees' annual report

For the year ended 31 December 2024

Going concern and reserves policy

The Board of Trustees are of the opinion that Big Change Charitable Trust has adequate resources to continue in operational existence for the foreseeable future. The Board of Trustees have identified no material uncertainties that cast significant doubt about the Big Change Charitable Trust to continue as a going concern.

At 31 December 2024, the Trustees' reserves policy is that Big Change should retain in the form of either cash or contracted income, at all times, (a) at least 12 months of working capital based on predicted known operating costs, and (b) the total amount allocated to current project partners through grant agreements. The Trustees have judged this level as appropriate given Big Change's liabilities, assets, and staffing structure. It is also appropriate given our two-year fundraising cycle.

At the end of 2024, Big Change held £3,023,073 in general reserves, £51,000 in restricted reserves and £76,828 in designated funds for project grants and related expenses. Our budgeted operating costs for 2025 are £1.6 million. Our reserves policy requires holding at least 12 months of working capital. As such, we hold over £1.4m in excess of our reserves policy.

In 2025 we will be designing a new funding framework that we intend to finance fully from our general reserves. We expect to spend c.£50k designing the fund and will spend a further £200k on grants and support. Once we have a proven concept we intend to fundraise in future years.

With the evolution of our open funding methodology with the Spark Awards, we have also elected to fund £200k of the non-staff related costs of the fund. We intend to fundraise for all future iterations of the awards and only fund staff costs from our Catalyst Circle income.

In line with our new strategy and impact framework, we will continue to develop our existing funding models, for which we will fundraise in advance, and create new, innovative models. The need for innovation arises from the persistent lack of funding for education transformation. Big Change will use its reserves to build proofs of concept for these new models, which we will then fundraise for in future iterations.

5. Grant making policy

Trustees approve all grants at the Trustee meetings that take place throughout the year (one every quarter) and grant applications must be approved by all Trustees to be successful. In anticipation of these meetings, an initial assessment and due diligence is undertaken by key management and operational personnel before the preparation of an assessment report for consideration by the Trustees in advance of the meeting.

1. Initial application

Applicants submit an initial one-page grant proposal and if the management team agree, ask proposers to submit an expanded grant proposal.

2. Due Diligence and Assessment Report

Management will identify the Applicant and whether it is appropriate for Big Change to be involved with this Applicant through:

- An assessment of compliance with applicable laws and regulations, track record, charitable status etc; and
- A review of information in the public domain (e.g. applicant's website, Companies House, Charity Commission website, online news sources) to check for any environmental, social, business integrity, reputational or legal controversy relating to the Applicant.

Management then:

- Assesses whether the Applicant can deliver what it promises to;
- Analyses the proposed investment/project and its potential impact, outlines any concerns;
- Identifies associated risks and mitigation options; and
- Prepares a report containing all relevant information for consideration by the Trustees.

3. Grant decision

The assessment report is sent to Trustees for contemplation in advance of the meeting at which they are considering the grant applications. At the meeting, the Trustees analyse the grant based on all of the relevant elements of the report and, if appropriate, approve the grant during the meeting.

4. Monitoring after approval and payment of the grant, Big Change management:

- Follows up with the applicant according to the agreed reporting schedule and flags up any issues, new risks or variations from the project plan;
- Records and reports impact of the grant; and
- Confirms funds have been used as intended.

6. Related party transactions

In all instances where Big Change is potentially involved in a related party transaction, Trustees ensure that we not only act in the best interests of the charity by checking costs against the market but where applicable, also ensuring that Big Change is not licensing rights for less than their market rate. Details of the related party transactions are in note 9 to the accounts.

All Trustees and Staff are required to declare any conflicts of interest on an ongoing basis. When a conflict of interest is discovered or brought to the attention of the Leadership Team (LT) it is added to the Conflict of Interest register and then forwarded to the Chair of the Big Change Board of Trustees for consideration. The Chair then consults with his fellow Trustees and provides guidance and/or a mitigation strategy to the LT.

7. Structure, governance & management

The organisation is a charitable company limited by guarantee, incorporated on 22 June 2011, and registered as a charity on 23 December 2011.

The organisation was established under a memorandum of association, as amended by special resolutions on 10 December 2011 and 21 December 2011, which established the objects and powers of the organisation and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. No Trustees were reimbursed for any expenses incurred during the year. The Board of Trustees meet at least three times a year and the Charity is empowered to delegate its powers to the Committees of Trustees.

Typically, the charity's senior management team is present at the meetings of the Board of Trustees and, when appropriate, the Chair of the Board of Trustees is in regular contact with senior management. Day-to-day decisions are made by senior management and where necessary referred to the Board of Trustees for approval.

8. The appointment and recruitment of Trustees

The Trustees are responsible for the recruitment of new Trustees, which they carry out in light of the existing balance of skills and experiences of the Board. Before their appointment, all new Trustees attend an induction programme for them to properly undertake and fulfil their responsibilities to the Charity. The induction process ensures new Trustees meet existing Trustees and members of the Senior Management team.

9. Objectives and activities

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Trust's objects are:

(a) the promotion of participation in healthy recreation in particular by the provision of facilities for the playing of sports;

(b) to assist in such ways as the charity Trustees think fit any charity whose aims include advancing education of persons under the age of 25 years by developing their mental, physical and moral capabilities through leisure time activities;

(c) to advance in life and help young people especially but not exclusively through:

(i) the provision of recreational and leisure time activities provided in the interest of social welfare, designed to improve their conditions of life; and

(ii) providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals;

(d) to act as a resource for young people up to the age of 25 years by providing advice and assistance and organising programmes of physical, educational and other activities as a means of:

(i) advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;

(ii) advancing education;

(iii) relieving unemployment; and

(iv) providing recreational and leisure time activity in the interests of social welfare for people living in the area of benefit who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such persons;

(e) to assist in the treatment and care of persons suffering from mental or physical illness of any description or in need of rehabilitation as a result of such illness, by the provision of facilities for work and recreation and through the provision of financial assistance, support, education and practical advice;

(f) the relief and assistance of people in any part of the world who are the victims of war or natural disaster, trouble, or catastrophe; and

(g) such charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the Trustees may from time to time determine.

10. Risk management

The Trustees regularly discuss and review the key risks to the charity and identify mitigation strategies during their Trustee meetings. The Trustees are satisfied that the key risks to the organisation are mitigated during the current year. Below is a list of the principal risks or uncertainties that management and Trustees have identified, along with info on how the organisation is managing them:

Big Change recognises our key risks and mitigation actions as follows:

Risk	Mitigating action
1.1 - Financial : Macro-economic conditions (pandemic, war, recession) impact the organisation's ability to raise funds in the short and long-term.	• Adapting expenditure approach when necessary to maintain adequate reserves position. • Adjusting fundraising approach to seize opportunities as the situation evolves.
1.2 - Reputational : Big Change receives donations from a number of donors and there is a risk of receiving funds from inappropriate sources.	• Ensure that adequate due diligence is carried out on all potential big gift donors. • Maintain clear paper trails for all donations received
1.3 - Charitable : Big Change grants funds to a number of different organisations and there is a risk that money is spent inappropriately.	• Management and Impact team to keep in regular contact with grantees; • Ensure that grantees are reporting back to Big Change per grant agreements.

The Trustees are satisfied that the key risks to the organisation are identified and that appropriate strategies are in place to manage them in the current year.

Statement on fundraising practice

The Trust does not use professional fundraisers or commercial participators to raise funds. The Trust nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance with these regulations (2023: none) and codes and the Trust received no complaints (2023: none) relating to its fundraising practice.

11. Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees wish. The organisation has adopted an Investment Policy (housed within Big Change's Treasury Management Policy) that, once ratified by the Trustees, was used to guide the investment of operational reserves with the organisation's nominated investment management firm. The policy includes general provisions, as well as the organisation's investment objectives, attitude towards risk, ethical investment priorities, and management reporting and approval processes. Additional financial details can be found in Note 10 of the annual accounts.

During the year to 31 December 2024, the charity's portfolio returned a performance of 3.7% net of all fees, costs and charges (2023 - 1.4%). This contrasts with the return from the ARC PCI GBP Cautious index which returned 4.57%, again net of fees, costs, and charges. This shows we were behind the ARC index for the short term. Longer term we are meeting the investment objective to outperform the relevant index. Nevertheless, we continue to review our investment options to ensure that the Charity's cashflow needs are met and that any cash balances can be invested to support future impact.

12. Remuneration policy

The management team comprise the key management personnel of the charity, in charge of directing and controlling, running and operating the charity on a day-to-day basis. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. The charity benchmarks against pay levels in other similar organisations. All pay raises, as well as bonuses, are determined by the Board of Trustees after a formal end-of-year evaluation. Consensus must be reached before any pay rise or other form of compensation is awarded.

13. Statement of responsibilities of the Trustees

The Trustees (who are also directors of Big Change Charitable Trust for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware.
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' annual report has been approved by the Trustees on 28 July 2025 and signed on their behalf by:

Philip Nevin

P Nevin
Chair of Trustees

Independent auditor's report

To the members of

Big Change Charitable Trust

Opinion

We have audited the financial statements of Big Change Charitable Trust (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2024 which comprise the consolidated statement of financial activities, consolidated and parent company balance sheets, consolidated statement of cash flows and the related 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 the 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 group and parent charity's affairs as at 31 December 2024 and of the group's 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 group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the group and parent charity financial statements and our auditor's report thereon. Our opinion on the group and parent charity 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.

Independent auditor's report

To the members of

Big Change Charitable Trust

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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, 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 trustees' report (incorporating the strategic report and the directors' report) have 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 group and the parent charity and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' 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 by the parent charity, or returns adequate for our audit have not been received from branches not visited by us;
- the parent charity financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report

To the members of

Big Change Charitable Trust

Our 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- (1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.
- (2) We reviewed the charity's policies and procedures in relation to:
 - Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
 - Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.
- (3) We inspected the minutes of trustee meetings.
- (4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.
- (5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.
- (6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.
- (7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:
 - Testing the appropriateness of journal entries;
 - Assessing judgements and accounting estimates for potential bias;
 - Reviewing related party transactions; and
 - Testing 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. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Independent auditor's report

To the members of

Big Change Charitable Trust

Use of our report

This report is made solely to the charity'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 charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Godfrey

28 July 2025

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:
Godfrey Wilson Limited
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Big Change Charitable Trust

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2024

		Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
	Note						
Income from:							
Donations and legacies	2	1,871,820	51,000	1,922,820	1,546,542	285,000	1,831,542
Other trading activities	3	479,575	–	479,575	997,724	–	997,724
Investments		69,361	–	69,361	90,760	–	90,760
Other incoming resources		–	–	–	1,236	–	1,236
Total income		2,420,756	51,000	2,471,756	2,636,262	285,000	2,921,262
Expenditure on:							
Raising funds							
Cost of fundraising		194,656	–	194,656	165,309	–	165,309
Costs of trading		399,888	–	399,888	768,616	–	768,616
Charitable activities							
Impact		1,138,621	39,335	1,177,956	1,029,659	202,560	1,232,219
Community		356,155	87,260	443,415	397,868	36,357	434,225
System		340,061	7,501	347,562	340,704	36,357	377,061
Total expenditure	4a	2,429,381	134,096	2,563,477	2,702,156	275,274	2,977,430
Net income/(expenditure) before net gains/(losses) on investments		(8,625)	(83,096)	(91,721)	(65,894)	9,726	(56,168)
Net gains/(losses) on investments	10	29,092	–	29,092	47,690	–	47,690
Net income/(expenditure) for the year	6	20,467	(83,096)	(62,629)	(18,204)	9,726	(8,478)
Transfers between funds		(183)	183	–	–	–	–
Net movement in funds		20,284	(82,913)	(62,629)	(18,204)	9,726	(8,478)
Reconciliation of funds:							
Total funds brought forward		3,079,617	133,913	3,213,530	3,097,821	124,187	3,222,008
Total funds carried forward		3,099,901	51,000	3,150,901	3,079,617	133,913	3,213,530

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

Big Change Charitable Trust

Balance sheets

Company no. 07679479

As at 31 December 2024

	Note	The group 2024 £	2023 £	The charity 2024 £	2023 £
Fixed assets:					
Investments	10	669,098	1,033,865	669,099	1,033,866
		669,098	1,033,865	669,099	1,033,866
Current assets:					
Debtors	12	715,362	273,465	776,740	497,891
Short term cash deposit		400,451	698,059	400,451	698,059
Cash at bank and in hand		1,560,279	1,270,871	1,382,628	1,029,252
		2,676,092	2,242,395	2,559,819	2,225,202
Liabilities:					
Creditors: amounts falling due within one year	13	194,289	62,730	79,387	46,908
Net current assets		2,481,803	2,179,665	2,480,432	2,178,294
Total net assets	15a	3,150,901	3,213,530	3,149,531	3,212,160
Funds:	16a				
Restricted income funds		51,000	133,913	51,000	133,913
Unrestricted income funds:					
General funds		3,021,703	2,548,682	3,021,703	2,548,682
Non-charitable trading funds		1,370	1,370	–	–
Designated funds		76,828	529,565	76,828	529,565
Total unrestricted funds		3,099,901	3,079,617	3,098,531	3,078,247
Total funds		3,150,901	3,213,530	3,149,531	3,212,160

The accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

Approved by the Trustees on 28 July 2024 and signed on their behalf by

Philip Nevin

P Nevin
Chair of Trustees

Big Change Charitable Trust

Consolidated statement of cash flows

For the year ended 31 December 2024

	Note	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		(62,629)		(8,478)	
Gains on investments	10	(29,092)		(47,690)	
Dividends, interest and rent from investments		(69,361)		(90,760)	
(Increase)/decrease in debtors	12	(441,896)		8,204	
Increase/(decrease) in creditors	13	131,559		(580,268)	
Net cash used in operating activities			(471,419)		(718,992)
Cash flows from investing activities:					
Proceeds from sale of investments	10	535,423		388,660	
Purchase of investments	10	(143,083)		(415,007)	
Dividends, interest and rent from investments		69,361		90,760	
Movement within cash held by investment managers	10	1,518		20,032	
Decrease/(increase) in short term cash deposits		297,608		1,016,888	
Net cash provided by / (used in) investing activities			760,827		1,101,333
Change in cash and cash equivalents in the year			289,408		382,341
Cash and cash equivalents at the beginning of the year			1,270,871		888,530
Cash and cash equivalents at the end of the year			1,560,279		1,270,871

1 Accounting policies

a) Statutory information

Big Change Charitable Trust is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 7 Savoy Court, London, WC2R 0EX.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Big Change Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Board of Trustees are of the opinion that Big Change Charitable Trust has adequate resources to continue in operational existence for the foreseeable future. The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Trading events income is measured at the fair value of the consideration received or receivable and is recognised when the event takes place.

1 Accounting policies (continued)

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are defined as grant payments the charity is reasonably certain will be paid to grantees (as per the payment schedule) prior to the date of the signing of the accounts, but do not meet the criteria for recognition as a liability or provision at the balance sheet date.

i) Expenditure and irrecoverable VAT

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

Expenditure is classified under the following activity headings:

- Costs of fundraising relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose and also includes investment management costs.
- Costs of trading relate to costs incurred by the Trading subsidiary.
- Expenditure on charitable activities includes the costs of grants made and staff time spent to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

1 Accounting policies (continued)

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity. The basis used in 2024 is consistent with that applied in 2023.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities in line with the proportion of staff time dedicated to fundraising activities.

● Cost of fundraising	20.0%
● Cost of trading	0.0%
● Charitable activities: impact	26.7%
● Charitable activities: community	26.7%
● Charitable activities: system	26.6%

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £3,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

m) Investments in subsidiaries

Investments in subsidiaries are at cost.

n) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

o) Debtors

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

p) Short term deposits

Short term cash deposits consist of cash held on deposit in interest bearing accounts with maturity dates between 3 and 12 months. Such investments are measured at their fair value.

q) Cash at bank and in hand

Cash at bank and cash 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.

r) Creditors and provisions

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

1 Accounting policies (continued)

s) 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.

t) Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid, the charity has no further payment obligations.

The amounts charged in the Statement of Financial Activities for defined contribution pension schemes represent the contributions payable in the period. The assets of the plan are held in independently administered funds, so are not included in the assets of the charity.

u) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values 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 ongoing 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 both current and future periods.

There are no sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Donated services	209,606	–	209,606	125,820	–	125,820
Charitable donations	1,662,214	51,000	1,713,214	1,420,722	285,000	1,705,722
	<u>1,871,820</u>	<u>51,000</u>	<u>1,922,820</u>	<u>1,546,542</u>	<u>285,000</u>	<u>1,831,542</u>

The donated goods and services consisted of (1) office space, IT support and professional services such as finance and taxation advice provided by Virgin Management Limited throughout the period; (2) pro bono legal support provided by DLA Piper and Pinsent Masons.

3 Income from other trading activities

	2024 Total £	2023 Total £
Entry fees (events inc. STRIVE)	479,575	997,724
	<u>479,575</u>	<u>997,724</u>

All income from other trading activities is unrestricted.

4a Analysis of expenditure (current year)

	Cost of raising funds		Charitable activities						
	Cost of fundraising	Cost of trading £	Impact £	Community £	System £	Governance costs £	Support costs £	2024 Total £	2023 Total £
Staff costs (Note 7)	56,136	-	363,576	228,466	149,492	43,648	131,940	973,258	895,293
Events – cost of trading	2,832	388,846	-	-	-	-	-	391,678	752,400
Marketing	19,116	-	5,735	5,735	5,735	-	1,912	38,233	25,286
Research and content	-	-	38,891	38,891	38,891	-	-	116,673	322,032
Office and premises costs	-	-	-	-	-	-	177,833	177,833	104,314
General Expenses	586	389	28,000	-	-	-	108,265	137,240	194,646
Legal and professional	-	10,653	84,391	42,196	25,317	16,878	-	179,435	60,101
Investment management fees	19,891	-	-	-	-	-	-	19,891	19,209
Grants awarded (note 5)	-	-	529,236	-	-	-	-	529,236	457,209
Programme Delivery	-	-	-	-	-	-	-	-	146,940
	98,561	399,888	1,049,829	315,288	219,435	60,526	419,950	2,563,477	2,977,430
Support costs	83,992	-	111,986	111,986	111,986	-	(419,950)	-	-
Governance costs	12,103	-	16,141	16,141	16,141	(60,526)	-	-	-
Total expenditure 2024	194,656	399,888	1,177,956	443,415	347,562	-	-	2,563,477	
Total expenditure 2023	165,309	768,616	1,232,219	434,225	377,061	-	-		2,977,430

4b Analysis of expenditure (prior year)

	Cost of raising funds		Charitable activities			Governance costs £	Support costs £	2023 Total £
	Cost of fundraising £	Cost of trading	Impact £	Community £	System £			
Staff costs (Note 7)	58,395	–	336,596	203,227	167,601	34,779	94,695	895,293
Events – cost of trading	8,018	744,382	–	–	–	–	–	752,400
Marketing	3,753	17,780	1,126	1,126	1,126	–	375	25,286
Research and content	–	–	107,344	107,344	107,344	–	–	322,032
Office and premises costs	–	–	–	–	–	–	104,314	104,314
General expenses	195	198	82,014	–	–	–	112,239	194,646
Legal and professional	–	6,256	–	21,538	–	32,307	–	60,101
Investment management fees	19,209	–	–	–	–	–	–	19,209
Tax payable by subsidiaries	–	–	–	–	–	–	–	–
Grants awarded (note 5)	–	–	457,209	–	–	–	–	457,209
Programme Delivery	–	–	146,940	–	–	–	–	146,940
	89,570	768,616	1,131,229	333,235	276,071	67,086	311,623	2,977,430
Support costs	62,323	–	83,100	83,100	83,100	–	(311,623)	
Governance costs	13,416	–	17,890	17,890	17,890	(67,086)	–	–
Total expenditure 2023	165,309	768,616	1,232,219	434,225	377,061	–	–	2,977,430

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2024

5 Grant making

	2024 £	2023 £
#BeeWell Manchester (via the University of Manchester)	-	10,000
Apart Of Me	-	50,000
Big Education Trust	-	34,250
Caitlin Glover	-	10,000
Centre for Place Based Transformation via Right to Succeed	-	16,668
Emma Redfern	25,000	5,000
Emoco	6,603	10,000
Farhad Gohar Potential	14,653	10,000
Fidjit Ltd	-	10,000
Force Of Nature Education CIC	150,000	50,000
Future Foundations Training	141,705	50,000
Gracie Amber Chick	-	10,000
Hybrid Games Board Game Learning	-	10,000
Not So Micro CIC	16,920	24,997
Paige Braille	49,966	-
Redfern Studios Limited	-	5,000
REVISO A.I Ltd	-	10,000
See Her Potential	15,000	-
Sergio Gosalvez Gosalvez	-	10,000
Sophie Koumides	-	10,000
The Big House Theatre Company	20,000	50,000
The Firefly Project	49,810	-
The London Interdisciplinary School	-	20,000
The New School	34,500	34,500
UK Youth	22,000	-
Virgin Unite	-	16,794
	546,157	457,209
Less: Unspent grants returned	(16,921)	-
Total	529,236	457,209

Reconciliation of movements in grant creditors

	2024 £	2023 £
Brought forward grant creditor	-	-
Add: Grants awarded in the year	546,157	457,209
Less: Unspent grants returned	(16,921)	-
Less: Grants paid in the year	(516,546)	(457,209)
Carried forward grant creditor	12,690	-

6 Net incoming/(outgoing) resources for the year

This is stated after charging:

	2024 £	2023 £
Trustees' expenses	-	-
Trustees' indemnity insurance	586	195
Auditor's remuneration (excluding VAT):		
Audit	8,300	7,500
Audit of subsidiary	-	2,500

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	847,484	780,435
Social security costs	89,135	83,727
Pension contributions	36,639	31,131
	<u>973,258</u>	<u>895,293</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024 No.	2023 No.
£60,000 – £69,999	3	2
£100,000 – £109,999	–	2
£110,000 – £119,999	1	–
	<u>4</u>	<u>4</u>

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £204,501 (2023: £177,759).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2023: £nil). No trustee received payment for professional or other services supplied to the charity (2023: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2024 No.	2023 No.
Cost of raising funds	1	1
Impact	6	5
Community	4	4
System	2	2
Governance and support	4	2
	<u>17</u>	<u>14</u>

9 Related party transactions

During the year legal fees of £575 (Trust; 2023 £541) and £7,764 (Trading; 2023 £349) were paid to Harbottle and Lewis LLP in respect of legal services provided to the charity in connection with secretarial duties. David Scott (resigned 3 Jan 2024) was a trustee of the charity and a partner in Harbottle and Lewis LLP. Harbottle and Lewis LLP did not charge for the time David spent providing services as a trustee. At 31 December 2024 there was an outstanding balance of £nil within accruals relating to services provided by Harbottle and Lewis LLP (2023: £271).

Virgin Management Limited have provided the charity with office space including administrative services at no cost. This has been recognised as a donated service both within income and expenditure, valued at £185,908 (2023: £113,709). During the year H. Andrewes was a trustee of Big Change and was also employed by Virgin Management Limited.

Virgin Unite has provided the charity with an unrestricted grant of £nil (2023: £100,000) to cover the core costs of the charity. H. Andrewes is a trustee of Big Change and is also a Trustee of Virgin Unite.

During the course of the year there were no donations made to Big Change by its trustees (2023: £nil).

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

10 Investments

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Fair value at the start of the year	1,033,864	979,860	1,033,865	979,861
Additions at cost	143,083	415,007	143,083	415,007
Disposal proceeds	(535,423)	(388,660)	(535,423)	(388,660)
Net gain/(loss) on change in fair value	29,092	47,690	29,092	47,690
Movement within cash held by investment managers	(1,518)	(20,032)	(1,518)	(20,032)
Fair value at the end of the year	<u>669,098</u>	<u>1,033,865</u>	<u>669,099</u>	<u>1,033,866</u>

Investments comprise:

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Unlisted shares in UK registered companies	–	–	1	1
Cash	12,183	13,701	12,183	13,701
Listed investments	656,915	1,020,164	656,915	1,020,164
	<u>669,098</u>	<u>1,033,865</u>	<u>669,099</u>	<u>1,033,866</u>

11 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Big Change Trading Limited, a company registered in England (company number 07998643). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2024 £	2023 £
Turnover	479,575	997,724
Cost of sales	(399,888)	(768,616)
Profit/(loss) on ordinary activities before taxation	79,687	229,108
Taxation	-	-
Profit/(loss) for the financial year	79,687	229,108
Retained earnings		
Retained earnings brought forward	1,370	1,370
Profit for the financial year	79,687	229,108
Distribution under gift aid to parent undertaking	(79,687)	(229,108)
Retained earnings carried forward	1,370	1,370
The aggregate of the assets, liabilities and funds was:		
Assets	196,460	255,652
Liabilities	(195,089)	(254,281)
Capital and retained earnings	1,371	1,371

Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2024 £	2023 £
Gross income	2,081,807	2,161,996
Result for the year	(62,629)	(8,478)

12 Debtors

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	707,434	254,094	693,344	240,857
Prepayments and other debtors	7,928	19,371	3,209	18,575
Amounts owed by Subsidiary	–	–	80,187	238,459
	<u>715,362</u>	<u>273,465</u>	<u>776,740</u>	<u>497,891</u>

13 Creditors: amounts falling due within one year

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	31,309	7,875	17,505	4,955
Grant Creditors (note 5)	12,690	–	12,690	–
Accruals	128,671	49,280	37,011	36,378
Deferred income (note 14)	9,438	–	–	–
Other payables	12,181	5,575	12,181	5,575
	<u>194,289</u>	<u>62,730</u>	<u>79,387</u>	<u>46,908</u>

14 Deferred income

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Balance at the beginning of the year	–	–	–	–
Amount released to income in the year	–	417,500	–	–
Amount deferred in the year	9,438	(417,500)	–	–
Balance at the end of the year	<u>9,438</u>	<u>–</u>	<u>–</u>	<u>–</u>

Deferred income is comprised of event entry fees that have been ported over to the next financial year when the events will take place and then be counted as income.

15a Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Fixed asset investments	669,098	–	–	669,098
Net current assets	2,353,975	76,828	51,000	2,481,803
Net assets at 31 December 2024	<u>3,023,073</u>	<u>76,828</u>	<u>51,000</u>	<u>3,150,901</u>

15b Analysis of group net assets between funds (prior year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Fixed asset investments	1,033,865	–	–	1,033,865
Net current assets	1,516,187	529,565	133,913	2,179,665
Net assets at 31 December 2023	<u>2,550,052</u>	<u>529,565</u>	<u>133,913</u>	<u>3,213,530</u>

16a Movements in funds (current year)

	At 1 January 2024 £	Income £	Expenditure £	Gains, losses and transfers £	At 31 December 2024 £
Restricted Funds					
Co-mission	6,817	–	(7,000)	183	–
Global Learning Alliance	4,000	–	(4,000)	–	–
Tony Bury Master Charitable Trust	123,096	–	(123,096)	–	–
Ferdinando & Luigi Innocenti Foundation	–	51,000	–	–	51,000
Restricted Funds	133,913	51,000	(134,096)	183	51,000
General funds	2,550,052	2,420,756	(1,976,644)	28,909	3,023,073
Designated funds	529,565	–	(452,737)	–	76,828
Total funds	3,213,530	2,471,756	(2,563,477)	29,092	3,150,901

In 2024, Big Change received a restricted donation of £51,000 from the Ferdinando & Luigi Innocenti Foundation to support the second Challenge prize fund (Spark Awards). In addition, 2023 restricted funds allocated to Co-mission project £6,817, Global Learning Alliance £4,000 and Tony Bury Charitable Trust £123,096 were expended on the respective projects.

The closing balance of £76,828 in designated funds represents grant payments the charity is reasonably certain will be paid to grantees (as per the payment schedule), but do not meet the criteria for recognition as a liability or provision at the balance sheet date.

16b Movements in funds (prior year)

	At 1 January 2023 £	Income £	Expenditure £	Gains, losses and transfers £	At 31 December 2023 £
Restricted Funds	124,187	285,000	(275,274)	–	133,913
General funds	3,016,905	2,636,262	(2,222,704)	(880,411)	2,550,052
Designated funds	80,916	–	(479,452)	928,101	529,565
Total funds	3,222,008	2,921,262	(2,977,430)	47,690	3,213,530

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

BIG CHANGE CHARITABLE TRUST

England & Wales - Charity number 1145224

Accounts

Company number: 07679479
Charity number: 1145224

Big Change Charitable Trust

Report and audited financial statements
For the year ended 31 December 2023

Big Change Charitable Trust

Contents

For the year ended 31 December 2023

Reference and administrative information	1
Trustees' annual report	2
Independent auditor's report	13
Consolidated statement of financial activities	17
Balance sheet	18
Statement of cash flows	19
Notes to the financial statements	20

Big Change Charitable Trust

Reference and administrative information

For the year ended 31 December 2023

Company number	07679479 – incorporated in the United Kingdom	
Charity number	1145224 – registered in England and Wales	
Registered office	7 Savoy Court London WC2R 0EX	
Operational address	66 Porchester Road, London, W2 6ET	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	H. K. T. Branson N. Duri B. J. Hay P. Nevin A. Peacock D. Scott (resigned 3 January 2024) B. York	Chair
Key management personnel	Vanessa North Ben Haber (appointed 4 December 2023) Noah Bernstein (resigned 18 May 2023)	Chief Executive Officer Managing Director Chief Operating Officer
Bankers	Barclays Bank Leicester LE87 2BB	
Solicitors	Harbottle and Lewis LLP 7 Savoy Court, London WC2R 0EX	
Auditor	Godfrey Wilson Ltd 5th Floor, Mariner House 62 Prince Street Bristol BS1 4QD	

The Trustees present their report and the audited financial statements for the year ended 31 December 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

1. Chair's Report

Big Change was founded in 2012 to rethink how charity can be a catalyst for change in how we support all young people to thrive in life, not just in exams. 2023 was a year of both action and reflection. We delivered the Big Education Challenge, our largest public funding campaign to date, and developed our 2024-2025 strategy, which included creating a new theory of change and impact framework.

In 2023, we maintained our focus on three areas of work that demonstrated our ability to convene, catalyse change and put young people at the heart of what we do.

Identifying and supporting bold ideas in the UK

Alongside a limited grant allocation process in 2023, we delivered our Big Education Challenge. This £1m prize fund built on our 10 years of grantmaking experience supported and rewarded young people and experienced innovators who have bold ideas with the potential to transform education and learning in the UK. Designed to incentivise change from the bottom up, the prize surfaced and supported often underrepresented leaders from across the UK. In 2023, we announced the 15 finalists who received both financial and capacity-building support in partnership with the Young Foundation. We announced the winners in January 2024.

Generating global insights to transform, not just improve, education systems

Building on our partnership in 2022 with the Salzburg Global Seminar, we launched the Transforming Education Co-Action Summit, a multi-year initiative designed to deepen the global dialogue and accelerate action to transform education by enabling intergenerational leadership and collaboration. We also led the co-creation of a guide to sharing power to transform education, which we launched during UN General Assembly week. With contributions from over 10 global partners, this further contributed to our insight on transforming education systems developed through A New Education Story, but with a focus on the "power" driver. As well as various partner events, we hosted a Big Change dinner during UNGA in New York City.

Empowering young people and the public to set a new direction for learning

Big Education Conversation (BEC) supports inclusive and intergenerational conversations about the purpose of education that can create a shared vision and ideas for the future. In 2023, we worked with existing and new partners to support BEC to happen in their context (with Big Change leading in the UK and working with local partners in 11 countries around the world). Building on a successful prior partnership we worked with IPPR to develop and launch "Out of kilter: How to rebalance our school system to work for people, economy and society" in September 2023. This was jointly funded by Big Change and the Paul Hamlyn Foundation and outlined four 'shifts' needed to enable the system to unlock the potential of all young people as well as a series of costed policy recommendations. We also selected Youth Leads to serve as the Project Council for BEC.

Projects

In addition to the 15 Big Education Challenge finalists, we continued to support several projects in 2023 that address some of the key levers for change identified through our learning. Their focus spanned from rethinking what and how we measure success (Big Education/Rethinking Assessment) and wellbeing (BeeWell), to joined-up approaches for teaching and learning (London Interdisciplinary School) and how we create change with and for local communities (The Centre for Place Based Transformation).

Finances

As we exited Covid-19, our fundraising in 2022 was particularly successful leading to a relative reduction in 2023 with Big Change's charitable income down 31% at £1,831,542. Nevertheless, we remain in a healthy position. We are incredibly grateful to the ongoing support our our Catalyst Circle (Virgin Unite, the Strive Catalyst Circle and our other high net worth donors) for their funding of our core costs which have enabled us to continue to lean into the opportunities of our catalytic role alongside sector allies as well as challenge and evolve our own model of funding.

Our Strive Challenge events continue to provide a solid foundation for our income and also generate deep and trusted relationships with existing and new donors. We saw some income from our American Friends of Big Change for the 2023 Strives in Finland and Bhutan. In 2023 we continued our partnerships with Paul Hamlyn Foundation and Blagrave Trust who supported our increased focus on youth leadership and intergenerational collaboration.

Our impact work in 2023 was a combination of backing five projects, delivering The Big Education Challenge, partnering with allies around system change and activating a community of philanthropists to support transformation. Our expenditure on charitable activities was £2,043,505 (2022 charitable expenditure: £1,823,298).

Building on the development of our new strategy, theory of change and impact framework, in 2024 we will focus on the following:

- **We are launching our community offer** - We will co-create ways to meaningfully engage and connect the intergenerational community of past and present organisations and individuals that we have supported. This initiative aims to provide valuable resources, foster collaboration, and enhance the overall experience for everyone involved.
- **Designing our next challenge prizes** - In our ongoing effort to inspire innovation and address pressing issues, we are designing our next challenge prizes. These prizes will encourage creative solutions and drive impactful change, reinforcing our commitment to making a positive difference.
- **Continuing to develop our ways of working** - We remain dedicated to continuously improving our internal processes and ways of working. By fostering a culture of agility and innovation, we aim to enhance efficiency, collaboration, and the overall effectiveness of our operations.

Thank you to everyone who has contributed to these achievements. We are making significant progress and paving the way for a bright future.

Philip Nevin

Philip Nevin (Chair)
23 July 2024

2. About Big Change

We want to see a society working together so that every young person is set up to thrive in life, not just exams.

By 2030 we aim to:

1. **PURPOSE** - Wider society embraces a new, expanded purpose for education (thriving) and key parts of the system have changed to support it (e.g. policy, funding).
2. **POWER** - Young people are agents of change and all parts of society (e.g. parents, educators, employers) are supporting young people to learn and thrive.
3. **PRACTICE** - Bold, pioneering approaches show that a new way is possible in setting up the next generation with the agency and opportunities to learn and thrive.

We act as a catalyst for this change by:

- Backing bold ideas with the potential to transform learning and education;
- Supporting grassroots conversations into insight and action;
- Generating insights and convening leaders from across the ecosystem to drive transformation, not reform.

Our model and approach to achieve this consists of three distinct but interlinked pillars - Insight, Action, and Support:

1. Insight: We listen and learn with and from all parts of the system to understand what is needed to support reimagining education over the long-term.
2. Action: We target our support to the most critical opportunity areas by finding and backing the leaders with big vision to help them prove a new way is both possible and powerful.
3. Support: We activate a network of people and organisations who power this change through individual effort and collective action.

For more information please see big-change.org, and our *New Education Story*.

3. Our Projects

Big Change will only happen if we do things differently, which is why we fund in the areas where there is critical need. We have a unique opportunity to add value and that, if changed, could have a broader systemic impact.

When considering projects, we are particularly interested in the following key criteria:

1. Does the applicant have a bold ambition for system change, with the potential to significantly impact on the broader sector? What is the unique and disruptive insight that can really change the way things are done?
2. Does the idea focus on positive growth: would the project clearly support young people to unlock their potential, and make a real difference?
3. Does the proposal demonstrate that there is a clear and compelling need? Is there a clear benefit to the education/youth development sector in the UK, and would the project have support from sector experts and other practitioners?
4. Do the team have passionate leadership: are the right people in place with the expertise and experience to fulfil their big ambition?
5. Is the project a good fit for Big Change: can we add significant value to the project?

With the above in mind, we launched our 2022 grant allocation process, with up to £250,000 in available funding for aligned project partners. The applications needed to score well on the criteria listed above, as well as demonstrate alignment with our 10 Big Hopes for Change in Education.

We solicited applications from a number of people and organisations who were part of our pipeline development and high-quality referral network. Each submitted an expression of interest and, if successful, a subsequent detailed proposal was assessed, both internally and by an invited Impact Council of sector experts and Trustees (see Section 5, Grant Making Policy).

Of the £250k available, £230k was allocated to 6 projects over two years. Of this amount, £141,726 was disbursed in 2022, with the remainder (£88,274) disbursed in 2023.

Details of all funded projects are as follows:

2022-23 Cohort

CENTRE FOR PLACE BASED TRANSFORMATION (via Right to Succeed)

(£16,668 awarded in 2023 from 2020 grant of £58,000)

Right to Succeed is a youth organization that exists to equip every child with the skills, well-being and access to opportunities to thrive from childhood to adulthood.

Big Change supported the staff costs associated with setting up the Centre for Place Based Transformation, a new approach to place-based community projects, demonstrating the power and value of place-based change and local learning ecosystems through both targeted, locally-led pilots and unlocking political will and funding at a government level to adopt an approach the place-based work that blends private, public and philanthropic involvement.

BIG EDUCATION TRUST

(£34,250 awarded in 2023 of a total grant of £100,000)

Big Education is the incubator for Rethinking Assessment. We have funded Rethinking Assessment's Learner Profile project. They have been learning from, and building on, best practices around the world to design an approach to assessment that helps every young person to thrive. Working on practical ideas and approaches to be piloted in schools, they have identified a powerful way forward: Learner Profiles. Drawing on work underway in the USA and Australia in particular.

Rethinking Assessment's vision is for every young person to put together a Learner Profile during their 14-year learning journey, including evidence of what they can do, what they have achieved, the story of their learning and a portfolio of their best work.

Young people will start creating their Learner Profile at school, topping it up as they go to demonstrate a range of achievements and show the breadth of their knowledge and capabilities. The profile will give universities, training providers and employers real information about the young person's competencies in crucial skills and provide a rounded picture that goes beyond a set of exam numbers and letters. We're funding the launch of the learner profiles.

THE LONDON INTERDISCIPLINARY SCHOOL

(£20,000 awarded in 2023 of a total grant of £40,000)

The London Interdisciplinary School has been awarded a grant to develop and roll out an interdisciplinary programme in schools for students in KS5. The programme will centre around three distinct areas: complex problems, interdisciplinary learning and careers. Their long-term vision is to ensure that interdisciplinary (ID) learning is embedded within the curriculum at all levels and that an ID experience is a prerequisite for an outstanding school.

Their grant will be used toward staffing, development and implementation of the programme in schools.

Big Education Challenge

A £1m prize fund to find and back people with bold ideas with the potential to transform education:

- Over 1,000 people registered for the Challenge - we expected that 20% of these would ultimately complete submissions. Our minimum target was 750, with an upper target of 1,000.
- We received 281 submissions - 40% over our target of 200 submissions.
- Submissions came from all four nations within the UK, including 74% from outside of London against our target of 50%, and submissions came from participants aged 19-73.
- Following two stages of judging 15 finalists were selected.
- In April, the learning support program was co-designed with Young Foundation and Big Change, informed by results of a needs assessment survey given to our Finalists, which assessed how familiar and confident they were with concepts such as prototyping, theories of change, market mapping, and more.

Following the six-month learning and support programme the finalists handed in their submissions. Finalists' submissions were judged by a group of internal Big Change judges against a set of defined criteria, which are:

- Potential to Transform: The idea or project sets new goals or purposes for education and learning that meet the needs of young people and society.
- Insight and innovation: The idea or new project is taking a different approach to a clear problem that has been informed by insights gained from experience and engagement of key stakeholders, including young people.
- Impact and feasibility: There is clear demand for the idea or new project, and it will create new and lasting opportunities for young people to learn and thrive.

For the year ended 31 December 2023

- Progress: The project made good progress against their plans within the 6 months, adapting plans where necessary and responding to learning.
- Leadership and collaboration: The lead innovator shows a commitment to collaboration, growth as a leader, and an appetite for learning.
- Ethos and alignment: The lead innovator is inspiring in their commitment to transforming education so that all young people can learn and thrive.

Finalists also created pitch decks, which they presented to expert external judges. These judges have scored these pitches against the same criteria. We had nine external judges in total, including young people, former project partners, sector allies and policy experts. Scores from internal and external judges were combined and moderated for any outliers. From these, the winners were selected.

4. Financial Review

Operating budget and grant-making

We are grateful to Virgin Unite and our Catalyst Circle members for supporting Big Change's operating expenditure in 2023. Operating expenditure totalled £1,117,898 (2022 - £1,007,123 (this includes staff costs, general expenses and other overhead costs)).

During the year Big Change received in-kind donations amounting to £125,820 (2022 - £161,830). The Trustees would like to thank Virgin Management Limited for providing donations in-kind of office space, IT support and professional services such as finance and taxation advice; and DLA Piper for providing extensive pro bono legal support via Thomson Reuters' Trust Law service.

During the year the cost of charitable activities was £2,043,505 (2022: £1,823,298). This includes finding and backing impact projects totalling £1,232,219 (2022: £819,109) as highlighted in Section 3, Our Impact.

For the 12 months ending 31 December 2023, costs (before net gains/(losses) on investments) exceeded income by £56,168 (2022: 722,637 surplus). Total income, including Trading income and in-kind donations, was £2,921,262 (2022: £3,000,206) which comprised mainly charitable donations (including in-kind donations) of £1,831,542 (2022: £2,652,199). Consolidated unrestricted reserves decreased during the period to £3,079,617 (2022: £3,097,821).

Going concern and reserves policy

The Board of Trustees are of the opinion that Big Change Charitable Trust has adequate resources to continue in operational existence for the foreseeable future. The Board of Trustees have identified no material uncertainties that cast significant doubt about the Big Change Charitable Trust to continue as a going concern.

At 31 December 2023, the Trustees' reserves policy is that Big Change should retain in the form of either cash or contracted income, at all times, (a) at least 12 months of working capital based on predicted known operating costs, and (b) the total amount allocated to current project partners through grant agreements. The Trustees have judged this level as appropriate given Big Change's liabilities, assets, and staffing structure. It is also appropriate given our two-year fundraising cycle.

At the end of 2023, Big Change held £2,550,052 in general reserves and £529,565 in designated funds for project grants and related expenses. Our budgeted operating costs for 2024 are £1.5 million. Our reserves policy requires holding at least 12 months of working capital. However, since we do not plan to launch our next funding round until early 2025, we find it prudent to hold 15 months of operating costs, increasing our target general reserves balance to £1.9 million.

In line with our new strategy and impact framework, we will continue to develop our existing funding models, for which we will fundraise in advance, and create new, innovative models. The need for innovation arises from the persistent lack of funding for education transformation. Big Change will use its reserves to build proofs of concept for these new models, which we will then fundraise for in future iterations. As a result, we find it prudent to hold the remaining £600k for this purpose.

5. Grant making policy

Trustees approve all grants at the Trustee meetings that take place throughout the year (one every quarter) and grant applications must be approved by all Trustees to be successful. In anticipation of these meetings, an initial assessment and due diligence is undertaken by key management and operational personnel before the preparation of an assessment report for consideration by the Trustees in advance of the meeting.

1. Initial application

Applicants submit an initial one-page grant proposal and if the management team agree, ask proposers to submit an expanded grant proposal.

2. Due Diligence and Assessment Report

Management will identify the Applicant and whether it is appropriate for Big Change to be involved with this Applicant through:

- An assessment of compliance with applicable laws and regulations, track record, charitable status etc; and
- A review of information in the public domain (e.g. applicant's website, Companies House, Charity Commission website, online news sources) to check for any environmental, social, business integrity, reputational or legal controversy relating to the Applicant.

Management then:

- Assesses whether the Applicant can deliver what it promises to;
- Analyses the proposed investment/project and its potential impact, outline any concerns;
- Identifies associated risks and mitigation options; and
- Prepares a report containing all relevant information for consideration by the Trustees.

3. Grant decision

The assessment report is sent to Trustees for contemplation in advance of the meeting at which they are considering the grant applications. At the meeting, the Trustees analyse the grant based on all of the relevant elements of the report and, if appropriate, approve the grant during the meeting.

4. Monitoring after approval and payment of the grant, Big Change management:

- Follows up with the applicant according to the agreed reporting schedule and flags up any issues, new risks or variations from the project plan;
- Records and reports impact of the grant; and
- Confirms funds have been used as intended.

6. Related party transactions

In all instances where Big Change is potentially involved in a related party transaction, Trustees ensure that we not only act in the best interests of the charity by checking costs against the market but where applicable, also ensuring that Big Change is not licensing rights for less than their market rate. Details of the related party transactions are in note 9 to the accounts.

All Trustees and Staff are required to declare any conflicts of interest on an ongoing basis. When a conflict of interest is discovered or brought to the attention of the Leadership Team (LT) it is added to the Conflict of Interest register and then forwarded to the Chair of the Big Change Board of Trustees for consideration. The Chair then consults with his fellow Trustees and provides guidance and/or a mitigation strategy to the LT.

7. Structure, governance & management

The organisation is a charitable company limited by guarantee, incorporated on 22 June 2011, and registered as a charity on 23 December 2011.

The organisation was established under a memorandum of association, as amended by special resolutions on 10 December 2011 and 21 December 2011, which established the objects and powers of the organisation and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. No Trustees were reimbursed for any expenses incurred during the year. The Board of Trustees meet at least three times a year and the Charity is empowered to delegate its powers to the Committees of Trustees.

Typically, the charity's senior management team is present at the meetings of the Board of Trustees and, when appropriate, the Chair of the Board of Trustees is in regular contact with senior management. Day-to-day decisions are made by senior management and where necessary referred to the Board of Trustees for approval.

8. The appointment and recruitment of Trustees

The Trustees are responsible for the recruitment of new Trustees, which they carry out in light of the existing balance of skills and experiences of the Board. Before their appointment, all new Trustees attend an induction programme in order for them to properly undertake and fulfil their responsibilities to the Charity. The induction process ensures new Trustees meet existing Trustees and members of the Senior Management team.

9. Objectives and activities

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Trust's objects are:

- (a) the promotion of participation in healthy recreation in particular by the provision of facilities for the playing of sports;
- (b) to assist in such ways as the charity Trustees think fit any charity whose aims include advancing education of persons under the age of 25 years by developing their mental, physical and moral capabilities through leisure time activities;
- (c) to advance in life and help young people especially but not exclusively through:
 - (i) the provision of recreational and leisure time activities provided in the interest of social welfare, designed to improve their conditions of life; and
 - (ii) providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals;

(d) to act as a resource for young people up to the age of 25 years by providing advice and assistance and organising programmes of physical, educational and other activities as a means of:

- (i) advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
- (ii) advancing education;
- (iii) relieving unemployment; and
- (iv) providing recreational and leisure time activity in the interests of social welfare for people living in the area of benefit who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such persons;

(e) to assist in the treatment and care of persons suffering from mental or physical illness of any description or in need of rehabilitation as a result of such illness, by the provision of facilities for work and recreation and through the provision of financial assistance, support, education and practical advice;

(f) the relief and assistance of people in any part of the world who are the victims of war or natural disaster, trouble, or catastrophe; and

(g) such charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the Trustees may from time to time determine.

10. Risk management

The Trustees regularly discuss and review the key risks to the charity and identify mitigation strategies during their Trustee meetings. The Trustees are satisfied that the key risks to the organisation are mitigated during the current year. Below is a list of the principle risks or uncertainties that management and Trustees have identified, along with information on how the organisation is managing them:

Big Change recognises our key risks and mitigation actions as follows

Risk	Mitigating action
1.1 - Financial: Macro-economic conditions (pandemic, war, recession) impact the organisation's ability to raise funds in the short and long-term.	• Adapting expenditure approach when necessary to maintain adequate reserves position. • Adjusting fundraising approach to seize opportunities as the situation evolves.
1.2 - Reputational: Big Change receives donations from a number of donors and there is a risk of receiving funds from inappropriate sources.	• Ensure that adequate due diligence is carried out on all potential big gift donors; • Maintain clear paper trails for all donations received.
1.3 - Charitable: Big Change grants funds to a number of different organisations and there is a risk that money is spent inappropriately.	• Management and Impact team to keep in regular contact with grantees; • Ensure that grantees are reporting back to Big Change per grant agreements.

The Trustees are satisfied that the key risks to the organisation are identified and that appropriate strategies are in place to manage them in the current year.

Statement on fundraising practice

The Trust does not use professional fundraisers or commercial participators to raise funds. The Trust nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance with these regulations (2022: none) and codes and the Trust received no complaints (2022: none) relating to its fundraising practice.

11. Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees wish. During the year to 31 December 2020 the organisation adopted an Investment Policy (housed within Big Change's Treasury Management Policy) that, once ratified by the Trustees, was used to guide the investment of operational reserves with the organisation's nominated investment management firm. The policy includes general provisions, as well as the organisation's investment objectives, attitude towards risk, ethical investment priorities, and management reporting and approval processes. Additional financial details can be found in Note 10 of the annual accounts.

During the year to 31 December 2023, the charity's portfolio returned a performance of 1.4% net of all fees, costs and charges (2022 - 8.9%). This contrasts with the return from the ARC PCI GBP Cautious index which returned 2.5%, again net of fees, costs, and charges. Since inception, the portfolio has achieved a return of 7.8%, meeting the investment objectives in the longer term.

The downturn in global markets at the beginning of 2023 has impacted the charity's investments. However, at the date of signing the total portfolio value, net of fees, costs, and charges, is greater than at inception, and the Trustees are confident in its further growth over the long term.

12. Remuneration policy

The management team comprise the key management personnel of the charity, in charge of directing and controlling, running and operating the charity on a day to day basis. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. The charity benchmarks against pay levels in other similar organisations. All pay raises, as well as bonuses, are determined by the Board of Trustees after a formal end-of-year evaluation. Consensus must be reached before any pay rise or other form of compensation is awarded.

13. Statement of responsibilities of the Trustees

The Trustees (who are also directors of Big Change Charitable Trust for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Big Change Charitable Trust

Trustees' annual report

For the year ended 31 December 2023

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware.
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' annual report has been approved by the Trustees on 23 July 2024 and signed on their behalf by:

Philip Nevin

P Nevin
Chair of Trustees

Independent auditor's report

To the trustees of

Big Change Charitable Trust

Opinion

We have audited the financial statements of Big Change Charitable Trust (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2023 which comprise the consolidated statement of financial activities, consolidated and parent company balance sheets, consolidated statement of cash flows and the related 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 the 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 group and parent charity's affairs as at 31 December 2023 and of the group's 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 group and parent charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the group and parent charity financial statements and our auditor's report thereon. Our opinion on the group and parent charity 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.

Independent auditor's report

To the trustees of

Big Change Charitable Trust

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) have 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 group and the parent charity and their 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 the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report

To the trustees of

Big Change Charitable Trust

Our 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- (1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.
- (2) We reviewed the charity's policies and procedures in relation to:
 - Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
 - Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.
- (3) We inspected the minutes of trustee meetings.
- (4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.
- (5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.
- (6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.
- (7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:
 - Testing the appropriateness of journal entries;
 - Assessing judgements and accounting estimates for potential bias;
 - Reviewing related party transactions; and
 - Testing 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. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Independent auditor's report

To the trustees of

Big Change Charitable Trust

Use of our report

This report is made solely to the charity'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 charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

23 July 2024

Alison Godfrey

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:
Godfrey Wilson Limited
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Big Change Charitable Trust

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Income from:							
Donations and legacies	2	1,546,542	285,000	1,831,542	2,320,218	331,981	2,652,199
Other trading activities	3	997,724	–	997,724	312,000	–	312,000
Investments		90,760	–	90,760	34,997	–	34,997
Other incoming resources		1,236	–	1,236	1,010	–	1,010
Total income		2,636,262	285,000	2,921,262	2,668,225	331,981	3,000,206
Expenditure on:							
Raising funds							
Cost of fundraising		165,309	–	165,309	166,032	–	166,032
Costs of trading		768,616	–	768,616	288,239	–	288,239
Charitable activities							
Impact		1,029,659	202,560	1,232,219	701,770	117,339	819,109
Community		397,868	36,357	434,225	489,178	51,364	540,542
System		340,704	36,357	377,061	412,283	51,364	463,647
Total expenditure	4a	2,702,156	275,274	2,977,430	2,057,502	220,067	2,277,569
Net income/(expenditure) before net gains/(losses) on investments		(65,894)	9,726	(56,168)	610,723	111,914	722,637
Net gains/(losses) on investments	10	47,690	–	47,690	(122,280)	–	(122,280)
Net income/(expenditure) for the year	6	(18,204)	9,726	(8,478)	488,443	111,914	600,357
Transfers between funds		–	–	–	–	–	–
Net movement in funds		(18,204)	9,726	(8,478)	488,443	111,914	600,357
Reconciliation of funds:							
Total funds brought forward		3,097,821	124,187	3,222,008	2,609,378	12,273	2,621,651
Total funds carried forward		3,079,617	133,913	3,213,530	3,097,821	124,187	3,222,008

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

Big Change Charitable Trust

Balance sheets

Company no. 07679479

As at 31 December 2023

	Note	The group 2023 £	2022 £	The charity 2023 £	2022 £
Fixed assets:					
Investments	10	1,033,865	979,860	1,033,866	979,861
		<u>1,033,865</u>	<u>979,860</u>	<u>1,033,866</u>	<u>979,861</u>
Current assets:					
Debtors	12	273,465	281,669	497,891	52,397
Short term cash deposit		698,059	1,714,947	698,059	1,714,947
Cash at bank and in hand		1,270,871	888,530	1,029,252	536,149
		<u>2,242,395</u>	<u>2,885,146</u>	<u>2,225,202</u>	<u>2,303,493</u>
Liabilities:					
Creditors: amounts falling due within one year	13	62,730	642,998	46,908	62,716
		<u>62,730</u>	<u>642,998</u>	<u>46,908</u>	<u>62,716</u>
Net current assets		<u>2,179,665</u>	<u>2,242,148</u>	<u>2,178,294</u>	<u>2,240,777</u>
Total net assets	15a	<u>3,213,530</u>	<u>3,222,008</u>	<u>3,212,160</u>	<u>3,220,638</u>
Funds:	16a				
Restricted income funds		133,913	124,187	133,913	124,187
Unrestricted income funds:					
General funds		2,548,682	3,015,535	2,548,682	3,015,535
Non-charitable trading funds		1,370	1,370	–	–
Designated funds		529,565	80,916	529,565	80,916
		<u>3,079,617</u>	<u>3,097,821</u>	<u>3,078,247</u>	<u>3,096,451</u>
Total unrestricted funds		<u>3,079,617</u>	<u>3,097,821</u>	<u>3,078,247</u>	<u>3,096,451</u>
Total funds		<u>3,213,530</u>	<u>3,222,008</u>	<u>3,212,160</u>	<u>3,220,638</u>

The accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

Approved by the Trustees on 23 July 2024 and signed on their behalf by

Philip Nevin

P Nevin
Chair of Trustees

Big Change Charitable Trust

Consolidated statement of cash flows

For the year ended 31 December 2023

	Note	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		(8,478)		600,357	
(Gains)/losses on investments	10	(47,690)		122,280	
Dividends, interest and rent from investments		(90,760)		(34,997)	
Decrease/(increase) in debtors	12	8,204		(189,700)	
(Decrease)/increase in creditors	13	(580,268)		203,733	
Net cash provided by operating activities			(718,992)		701,673
Cash flows from investing activities:					
Proceeds from sale of investments	10	388,660		391,398	
Purchase of investments	10	(415,007)		(427,086)	
Dividends, interest and rent from investments		90,760		34,997	
Movement within cash held by investment managers	10	20,032		36,760	
Decrease/(increase) in short term cash deposits		1,016,888		(631,532)	
Net cash provided by / (used in) investing activities			1,101,333		(595,463)
Change in cash and cash equivalents in the year			382,341		106,210
Cash and cash equivalents at the beginning of the year			888,530		782,320
Cash and cash equivalents at the end of the year			1,270,871		888,530

1 Accounting policies

a) Statutory information

Big Change Charitable Trust is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 7 Savoy Court, London, WC2R 0EX.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Big Change Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Board of Trustees are of the opinion that Big Change Charitable Trust has adequate resources to continue in operational existence for the foreseeable future. The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Trading events income is measured at the fair value of the consideration received or receivable and is recognised when the event takes place.

1 Accounting policies (continued)

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are defined as grant payments the charity is reasonably certain will be paid to grantees (as per the payment schedule) prior to the date of the signing of the accounts, but do not meet the criteria for recognition as a liability or provision at the balance sheet date.

i) Expenditure and irrecoverable VAT

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

- Costs of fundraising relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose and also includes investment management costs.
- Costs of trading relate to costs incurred by the Trading subsidiary.
- Expenditure on charitable activities includes the costs of grants made and staff time spent to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

1 Accounting policies (continued)

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity. The basis used in 2023 is consistent with that applied in 2022.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities in line with the proportion of staff time dedicated to fundraising activities.

● Cost of fundraising	20.0%
● Cost of trading	0.0%
● Charitable activities: impact	26.7%
● Charitable activities: community	26.7%
● Charitable activities: system	26.7%

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £3,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

m) Investments in subsidiaries

Investments in subsidiaries are at cost.

n) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

o) Debtors

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

p) Short term deposits

Short term cash deposits consist of cash held on deposit in interest bearing accounts. Such investments are measured at their fair value

q) Cash at bank and in hand

Cash at bank and cash 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.

r) Creditors and provisions

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

1 Accounting policies (continued)

s) 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.

t) Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid, the charity has no further payment obligations.

The amounts charged in the Statement of Financial Activities for defined contribution pension schemes represent the contributions payable in the period. The assets of the plan are held in independently administered funds, so are not included in the assets of the charity.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Donated services	125,820	–	125,820	161,830	–	161,830
Charitable donations	1,420,722	285,000	1,705,722	2,158,388	331,981	2,490,369
	<u>1,546,542</u>	<u>285,000</u>	<u>1,831,542</u>	<u>2,320,218</u>	<u>331,981</u>	<u>2,652,199</u>

The donated goods and services consisted of (1) office space, IT support and professional services such as finance and taxation advice provided by Virgin Management Limited throughout the period; (2) pro bono legal support provided by DLA Piper.

3 Income from other trading activities

	2023 Total £	2022 Total £
Entry fees (events inc. STRIVE)	997,724	312,000
	<u>997,724</u>	<u>312,000</u>

All income from other trading activities is unrestricted.

4a Analysis of expenditure (current year)

	Cost of raising funds		Charitable activities						
	Cost of fundraising	Cost of trading £	Impact £	Community £	System £	Governance costs £	Support costs £	2023 Total £	2022 Total £
Staff costs (Note 7)	58,395	-	336,596	203,227	167,601	34,779	94,695	895,293	823,200
Events – cost of trading	8,018	744,382	-	-	-	-	-	752,400	288,239
Marketing	3,753	17,780	1,126	1,126	1,126	-	375	25,286	6,526
Research and content	-	-	107,344	107,344	107,344	-	-	322,032	562,992
Office and premises costs	-	-	-	-	-	-	104,314	104,314	148,792
General Expenses	195	198	82,014	-	-	-	112,239	194,646	161,944
Legal and professional	-	6,256	-	21,538	-	32,307	-	60,101	35,018
Investment management fees	19,209	-	-	-	-	-	-	19,209	16,799
Tax payable by subsidiaries	-	-	-	-	-	-	-	-	-
Grants awarded (note 5)	-	-	457,209	-	-	-	-	457,209	234,059
Programme Delivery	-	-	146,940	-	-	-	-	146,940	-
	89,570	768,616	1,131,229	333,235	276,071	67,086	311,623	2,977,430	2,277,569
Support costs	62,323	-	83,100	83,100	83,100	-	(311,623)	-	-
Governance costs	13,416	-	17,890	17,890	17,890	(67,086)	-	-	-
Total expenditure 2023	165,309	768,616	1,232,219	434,225	377,061	-	-	2,977,430	
Total expenditure 2022	166,032	288,239	819,109	540,542	463,647	-	-		2,277,569

4b Analysis of expenditure (prior year)

	Cost of raising funds		Charitable activities			Governance costs £	Support costs £	2022 Total £
	Cost of fundraising £	Cost of trading	Impact £	Community £	System £			
Staff costs (Note 7)	58,739	–	278,150	208,233	147,949	47,236	82,893	823,200
Events – cost of trading	–	288,239	–	–	–	–	–	288,239
Marketing	3,263	–	979	979	979	–	326	6,526
Research and content	–	–	187,664	187,664	187,664	–	–	562,992
Office and premises costs	–	–	–	–	–	–	148,792	148,792
General expenses	7,660	–	12,945	24,581	21,743	–	95,015	161,944
Legal and professional	586	–	–	13,773	–	20,659	–	35,018
Investment management fees	16,799	–	–	–	–	–	–	16,799
Tax payable by subsidiaries	–	–	–	–	–	–	–	–
Grants awarded (note 5)	–	–	234,059	–	–	–	–	234,059
	87,047	288,239	713,797	435,230	358,335	67,895	327,026	2,277,569
Support costs	65,405	–	87,207	87,207	87,207	–	(327,026)	–
Governance costs	13,580	–	18,105	18,105	18,105	(67,895)	–	–
Total expenditure 2022	166,032	288,239	819,109	540,542	463,647	–	–	2,277,569

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2023

5 Grant making

	2023 £	2022 £
#BeeWell Manchester (via the University of Manchester)	10,000	-
Apart Of Me	50,000	-
Big Education Trust	34,250	65,750
Caitlin Glover	10,000	-
Centre for Place Based Transformation via Right to Succeed	16,668	8,334
Children's University Trust	-	27,000
Cymbrogi Futures	-	43,000
Emma Redfern	5,000	-
Emoco	10,000	-
Farhad Gohar Potential	10,000	-
Fidjit Ltd	10,000	-
Force Of Nature Education CIC	50,000	-
Foundation for Education Development	-	5,000
Future Foundations Training	50,000	-
Gracie Amber Chick	10,000	-
Hybrid Games Board Game Learning	10,000	-
Joined Up (via Reach Foundation)	-	20,000
No Limits (via Gesher Trust)	-	25,000
Not So Micro CIC	24,997	-
Redfern Studios Limited	5,000	-
REVISO A.I Ltd	10,000	-
Sergio Gosálvez Gosálvez	10,000	-
Sophie Koumides	10,000	-
The Big House Theatre Company	50,000	-
The London Interdisciplinary School	20,000	20,000
The New School	34,500	-
Tranquiliti	-	19,975
Virgin Unite	16,794	-
Total	<u>457,209</u>	<u>234,059</u>

	2023 £	2022 £
Reconciliation of movements in grant creditors		
Brought forward grant creditor	-	25,000
Add: Grants awarded in the year	457,209	234,059
Less: Grants paid in the year	(457,209)	(259,059)
Carried forward grant creditor	<u>-</u>	<u>-</u>

6 Net incoming/(outgoing) resources for the year

This is stated after charging:

	2023 £	2022 £
Trustees' expenses	-	-
Trustees' indemnity insurance	195	586
Auditor's remuneration (excluding VAT):		
Audit	7,500	7,000
Audit of subsidiary	2,500	-
Audit – over accrual from prior year	-	(150)

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	780,435	710,177
Social security costs	83,727	84,211
Pension contributions	31,131	28,812
	<u>895,293</u>	<u>823,200</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023 No.	2022 No.
£60,000 – £69,999	2	–
£70,000 – £79,999	–	1
£80,000 – £89,999	–	–
£90,000 – £99,999	–	2
£100,000 – £109,999	2	–
	<u>2</u>	<u>–</u>

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £177,759 (2022: £237,869).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil). No trustee received payment for professional or other services supplied to the charity (2022: £nil).

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2023 No.	2022 No.
Cost of Raising funds	1	1
Impact	5	4
Community	4	4
System	2	2
Governance and Support	2	2
	<u>14</u>	<u>13</u>

9 Related party transactions

During the year legal fees of £541 (Trust; 2022 £1,917) and £349 (Trading; 2022 £349) were paid to Harbottle and Lewis LLP in respect of legal services provided to the charity in connection with secretarial duties. David Scott is a trustee of the charity and a partner in Harbottle and Lewis LLP. Harbottle and Lewis LLP do not charge for the time David spends providing services as a trustee. At 31 December 2023 there was an outstanding balance of £271 within accruals relating to services provided by Harbottle and Lewis LLP (2022: £nil).

Virgin Management Limited have provided the charity with office space including administrative services at no cost. This has been recognised as a donated service both within income and expenditure, valued at £113,709 (2022: £150,508). During the year H. Branson was a trustee of Big Change and was also employed by Virgin Management Limited.

Virgin Unite has provided the charity with an unrestricted grant of £100,000 (2022: £110,000) to cover the core costs of the charity. H. Branson is a trustee of Big Change and is also a Trustee of Virgin Unite.

During the course of the year there were no donations made to Big Change by its trustees (2022: £nil).

A total of £nil was paid to Virgin Limited Edition (VLE) (2022: £240,769 paid for exclusive use of Necker Island during the annual Strive event). VLE is a subsidiary of Virgin Management Limited and the balance outstanding from Big Change Trading Limited to VLE at the balance sheet date was £nil.

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

10 Investments

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Fair value at the start of the year	979,860	1,103,212	979,861	1,103,213
Additions at cost	415,007	427,086	415,007	427,086
Disposal proceeds	(388,660)	(391,398)	(388,660)	(391,398)
Net (loss)/gain on change in fair value	47,690	(122,280)	47,690	(122,280)
Movement within cash held by investment managers	(20,032)	(36,760)	(20,032)	(36,760)
Fair value at the end of the year	<u>1,033,865</u>	<u>979,860</u>	<u>1,033,866</u>	<u>979,861</u>

Investments comprise:

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Unlisted shares in UK registered companies	-	-	1	1
Cash	13,701	33,733	13,701	33,733
Listed investments	1,020,164	946,127	1,020,164	946,127
	<u>1,033,865</u>	<u>979,860</u>	<u>1,033,866</u>	<u>979,861</u>

11 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Big Change Trading Limited, a company registered in England (company number 07998643). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2023 £	2022 £
Turnover	997,724	312,000
Cost of Sales	(768,616)	(284,322)
Profit/(loss) on ordinary activities before taxation	<u>229,108</u>	<u>27,678</u>
Taxation	-	-
Profit/(loss) for the financial year	<u><u>229,108</u></u>	<u><u>27,678</u></u>
Retained earnings		
Retained earnings brought forward	1,370	1,370
Profit for the financial year	229,108	27,678
Distribution under gift aid to parent undertaking	(229,108)	(27,678)
Retained earnings carried forward	<u><u>1,370</u></u>	<u><u>1,370</u></u>
The aggregate of the assets, liabilities and funds was:		
Assets	255,652	634,050
Liabilities	(254,281)	(632,679)
Capital and retained earnings	<u><u>1,371</u></u>	<u><u>1,371</u></u>

Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2023 £	2022 £
Gross income	2,161,996	2,725,712
Result for the year	<u><u>(8,478)</u></u>	<u><u>600,357</u></u>

12 Debtors

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	254,094	80,918	240,857	-
Prepayments and other debtors	19,371	200,751	18,575	-
Amounts owed by Subsidiary	-	-	238,459	52,397
	273,465	281,669	497,891	52,397

13 Creditors: amounts falling due within one year

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	7,875	170,333	4,955	15,052
Accruals	49,280	50,885	36,378	43,384
Deferred income (note 14)	-	417,500	-	-
Other payables	5,575	4,280	5,575	4,280
	62,730	642,998	46,908	62,716

14 Deferred income

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Balance at the beginning of the year	417,500	132,000	-	-
Amount released to income in the year	(417,500)	(12,000)	-	-
Amount deferred in the year	-	347,500	-	-
Balance at the end of the year	-	417,500	-	-

Deferred income is comprised of event entry fees that have been ported over to the next financial year when the events will take place and then be counted as income.

15a Analysis of group net assets between funds (current year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£	£	£	£
Fixed asset investments	1,033,865	-	-	1,033,865
Net current assets	1,516,187	529,565	133,913	2,179,665
Net assets at 31 December 2023	2,550,052	529,565	133,913	3,213,530

15b Analysis of group net assets between funds (prior year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£	£	£	£
Fixed asset investments	979,860	-	-	979,860
Net current assets	2,037,045	80,916	124,187	2,242,148
Net assets at 31 December 2022	3,016,905	80,916	124,187	3,222,008

16a Movements in funds (current year)

	At 1 January 2023 £	Income £	Expenditure £	Gains, losses and transfers £	At 31 December 2023 £
Restricted Funds	124,187	285,000	(275,274)	–	133,913
General funds	3,016,905	2,636,262	(2,222,704)	(880,411)	2,550,052
Designated funds	80,916	–	(479,452)	928,101	529,565
Total funds	3,222,008	2,921,262	(2,977,430)	47,690	3,213,530

Restricted funds: In 2023 Big Change received donations totalling £285,000 that were restricted to specific projects. £200,000 of the total was allocated to the Tony Bury Master Charitable Trust, £50,000 to the Co-mission project, and £35,000 to The Paul Hamlyn Foundation.

Gains, losses and transfers includes a total of £928,101 of funds transferred from unrestricted to designated funds, leaving a closing balance of £529,565 in designated funds. This represents grant payments the charity is reasonably certain will be paid to grantees (as per the payment schedule), but do not meet the criteria for recognition as a liability or provision at the balance sheet date.

16b Movements in funds (prior year)

	At 1 January 2022 £	Income £	Expenditure £	Gains, losses and transfers £	At 31 December 2022 £
Restricted Funds	12,273	331,981	(220,067)	–	124,187
General funds	2,475,378	2,668,225	(1,869,418)	(257,280)	3,016,905
Designated funds	134,000	–	(188,084)	135,000	80,916
Total funds	2,621,651	3,000,206	(2,277,569)	(122,280)	3,222,008

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

BIG CHANGE CHARITABLE TRUST

England & Wales - Charity number 1145224

Accounts

Company number: 07679479
Charity number: 1145224

Big Change Charitable Trust

Report and financial statements
For the year ended 31 December 2022

Big Change Charitable Trust

Contents

For the year ended 31 December 2022

Reference and administrative information	1
Trustees' annual report	2
Independent auditor's report	13
Consolidated statement of financial activities	17
Balance sheet	18
Statement of cash flows	19
Notes to the financial statements	20

Big Change Charitable Trust

Reference and administrative information

For the year ended 31 December 2022

Company number	07679479 – incorporated in the United Kingdom	
Charity number	1145224 – registered in England and Wales	
Registered office	7 Savoy Court London WC2R 0EX	
Operational address	66 Porchester Road, London, W2 6ET	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	P. Nevin	Chair
	N. Duri	
	H. K. T. Branson	
	B. J. Hay	
	A. Peacock	
	D. Scott	
	B. York	
	H. Gordon (resigned 14 February 2022)	
Key management personnel	Vanessa North	Chief Executive Officer
	Noah Bernstein	Chief Operating Officer (left 18 May 2023)
Bankers	Barclays Bank Leicester LE87 2BB	
Solicitors	Harbottle and Lewis LLP 7 Savoy Court, London WC2R 0EX	
Auditor	Godfrey Wilson Ltd 5th Floor, Mariner House 62 Prince Street Bristol BS1 4QD	

The Trustees present their report and the audited financial statements for the year ended 31 December 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

1. Chair's Report

Big Change was founded in 2012 to rethink how charity can be a catalyst for change in how we support all young people to thrive in life, not just in exams. 2022 marks ten years of finding and backing bold ideas for change. In that time we have backed 60 projects, positively impacted the lives of 8 million young people, supported over 200 thousand teachers, parents, carers and adults working with young people and unlocked over £60m in follow-on funding.

Emerging from the COVID period which brought both turbulence and opportunity, 2022 has been a year of evolution and momentum building. We have been focused on three areas of work that demonstrate our ability to convene, catalyse change and put young people at the heart of what we do.

Identifying and supporting bold ideas in the UK

Alongside a limited grant allocation process in 2022, we designed and launched our **Big Education Challenge**. This £1m prize fund builds on our 10 years of grantmaking experience and is set to support and reward young people and experienced innovators who have bold ideas with the potential to transform education and learning in the UK. Designed to incentivise change from the bottom up, the prize aims to surface and support often underrepresented leaders from across the UK. In 2023, we will announce the 15 finalists who will receive both financial and capacity building support, then select the winners at the end of the year.

Generating global insights to transform, not just improve, education systems

Our collective insight report **A New Education Story** (NES) was the anchor for successful partnerships with global allies around the need for transformation in education and learning by shifting purpose, power and practice. From Salzburg and Singapore to the UN Transforming Education Summit this simple but powerful framework has achieved buy-in and influence beyond our expectations and has connected with thought leaders, funders and changemakers across the world. In 2023, we will continue a partnership with Salzburg Global Seminar to convene intergenerational leaders in a series of co-action summits focused on enabling transformative change.

Empowering young people and the public to set a new direction for learning

Through Subject to Change we created a wealth of insight about public demand for change in education. In 2022 we focused our efforts on **Big Education Conversation (BEC)** to support inclusive and intergenerational conversations about the purpose of education that can create a shared vision and ideas for the future. In 2023, we will be working with existing and new partners to support BEC to happen in their context (with Big Change leading in the UK and working with local partners in 11 countries around the world). Building on successful prior partnership we will work with IPPR to share national insights and data to inform both practice and policy conversations.

Projects

Through a limited grant allocation process we backed new projects in 2022 that are addressing some of the key levers for change identified through our learning. Their focus spans from rethinking what and how we measure success (Big Education/Rethinking Assessment) and wellbeing (BeeWell and Tranquility), to joined up approaches for teaching and learning (London Interdisciplinary School) and how we create change with and for local communities (The Centre for Place Based Transformation). We are proud of the insight and leadership these projects represent and look forward to working closely with them going forward.

Finances

Big Change's charitable income was up 74% compared to 2021 at £2.65m as we returned to pre-pandemic levels on our traditional fundraising and built new income streams in 2022. This puts us in a healthy position after the uncertainty of Covid and the related disruptions we saw in 2020/2021. We are incredibly grateful to the ongoing support of our Catalyst Circle (Virgin Unite, the Strive Catalyst Circle as well as Joann McPike and new HNW donors) for their funding of our core costs which have enabled us to continue to lean in to the opportunities of our catalytic role alongside sector allies as well as challenge and evolve our own model of funding.

Our Strive Challenge events continue to provide a solid foundation to our income and also generate deep and trusted relationships with existing and new donors. We saw some income from our American Friends of Big Change for the 2021 Strive BVI as well as income from our 2022 Strive Kenya. 2022 has seen us work with a number of new partners supporting some key areas of our system change work. Paul Hamlyn Foundation and Blagrave Trust have supported our increased focus on youth leadership and intergenerational collaboration and Lego Foundation have been a key partner in the evolution and global launch of the Big Education Conversation at the UN Transforming Education summit.

Our impact work in 2022 was a combination of backing five projects, designing and launching the new model of The Big Education Challenge, partnering with allies around system change and activating a community of philanthropists to support transformation. Our expenditure on charitable activities was £1,823,298 (total 2022 expenditure: £2,277,569). The first round of funding for the Big Education Challenge finalists will be coming in 2023.

With the increased recognition at a global level of the need for transformation in education and learning we are hopeful that the conversation is changing. 2023 looks to be an exciting year for Big Change as we launch our first finalists of the Big Education Challenge and learn together with communities and leaders on a mission to work together so all young people are set up to thrive in life.

Philip Nevin (Chair)

Philip Nevin

.....
Date:

2. About Big Change

We want to see a society working together so that every young person is set up to thrive in life, not just exams.

By 2030 we aim to:

1. **PURPOSE** - Wider society embraces a new, expanded purpose for education (thriving) and key parts of the system have changed to support it (e.g. policy, funding).
2. **POWER** - Young people are agents of change and all parts of society (e.g. parents, educators, employers) are supporting young people to learn and thrive.
3. **PRACTICE** - Bold, pioneering approaches show that a new way is possible in setting up the next generation with the agency and opportunities to learn and thrive.

We act as a catalyst for this change by:

- Backing bold ideas with the potential to transform learning and education;
- Supporting grassroots conversations into insight and action;
- Generating insights and convening leaders from across the ecosystem to drive transformation, not reform.

Our model and approach to achieve this consists of three distinct but interlinked pillars - Insight, Action, and Support:

1. Insight: We listen and learn with and from all parts of the system to understand what is needed to support reimagining education over the long-term.
2. Action: We target our support to the most critical opportunity areas by finding and backing the leaders with big vision to help them prove a new way is both possible and powerful.
3. Support: We activate a network of people and organisations who power this change through individual effort and collective action.

For more information please see big-change.org, and our *New Education Story*.

3. Our Projects

Big Change will only happen if we do things differently, which is why we fund in the areas where there is critical need. We have a unique opportunity to add value and that, if changed, could have a broader systemic impact.

When considering projects, we are particularly interested in the following key criteria:

1. Does the applicant have a bold ambition for system change, with the potential to significantly impact on the broader sector? What is the unique and disruptive insight that can really change the way things are done?
2. Does the idea focus on positive growth: would the project clearly support young people to unlock their potential, and make a real difference?
3. Does the proposal demonstrate that there is a clear and compelling need? Is there a clear benefit to the education/youth development sector in the UK, and would the project have support from sector experts and other practitioners?
4. Do the team have passionate leadership: are the right people in place with the expertise and experience to fulfil their big ambition?
5. Is the project a good fit for Big Change: can we add significant value to the project?

With the above in mind, we launched our 2022 grant allocation process, with up to £250,000 in available funding for aligned project partners. The applications needed to score well on the criteria listed above, as well as demonstrate alignment with our 10 Big Hopes for Change in Education.

We solicited applications from a number of people and organisations who were part of our pipeline development and high-quality referral network. Each submitted an expression of interest and, if successful, a subsequent detailed proposal was assessed, both internally and by an invited Impact Council of sector experts and Trustees (see Section 5, Grant Making Policy).

The total funds awarded to Big Change projects in 2022 was £234,059 across both the 2022 and prior year cohorts. A closing balance of £80,916 is held in designated funds for specific grants that are expected to be distributed in future years.

Details of all funded projects are as follows:

2021 Cohort

CHILDREN'S UNIVERSITY TRUST

(£27,000 awarded in 2022)

Children's University Trust works in partnership with schools across the UK to develop a love of learning by encouraging participation in quality-assured extracurricular activities in and outside of school.

We supported staff time for the CEO and Head of Comms to engage in advocacy and campaigning work to increase resource, visibility and access for learning outside the classroom.

Big Change Charitable Trust

Trustees' annual report

For the year ended 31 December 2022

NO LIMITS (via Gesher Trust)

(£25,000 awarded in 2022)

Led by Gesher Trust, an established leader in working with children with special educational needs and disabilities, NoLimits will create a new evidence-based model of teaching and learning, and a community of practice for secondary school students that is academically rigorous and showcase it in other SEN learning communities.

We supported the creation of NoLimits by funding Gesher's Director of Rigour, Director of Curation, and Community of Practice Lead to get the group off the ground.

CYMBROGI FUTURES

(£43,000 awarded in 2022)

Cymbrogi Futures is a programme in its pilot stage; designing unique learning journeys for both educators and young people to empower them to take on their futures with confidence. Their suite of programmes includes both online and residential programmes (hosted on their natural site) focused on their 'Core Four': sustainability, wellbeing, creative skills and collaboration.

We funded staff time required to get these pilot programs off the ground, including the Program Director and learning designer.

JOINED UP (via Reach Foundation)

(£20,000 awarded in 2022)

JoinedUp is collaboration of award-winning and trusted organisations - Frontline, UK Youth, Reach Foundation, and Dixon Academies Trust - that will bring together school leaders, social workers and youth workers to better support disadvantaged children and young people across the UK.

We funded the staff time necessary to facilitate the network building and learning activities that will help identify and seek to address barriers to working in this 'joined up' way, locally and nationally.

FOUNDATION FOR EDUCATION DEVELOPMENT

(£5,000 awarded in 2022)

The FED has been set up to address the problem of the short-term nature of education policy. It is an independent organisation that can bring together stakeholders from all sides and sectors to build on the wisdom and experience of policy makers, practitioners, and all interested parties.

Big Change funded a Workstream Director to oversee the delivery of four workstreams, including a vision and purpose for a 10-year plan for education and the structures and governance for this plan, for 12 months.

2022 Cohort

TRANQUILITI

(£19,975 awarded in 2022)

Tranquiliti is a new, digital service that looks to place the voice of every young person at the heart of their school. Central to their service is a question-set which asks young people about their wellbeing, mental health, and experiences at school. They support tailored early intervention and positive culture change in schools, as well as more effective signposting for young people onto the support they need most.

In 2021, via a specific donation from a Foundation tied to Tranquiliti, we supported the founders' time, plus development costs, to roll out the pilot of this service.

Big Change Charitable Trust

Trustees' annual report

For the year ended 31 December 2022

CENTRE FOR PLACE BASED TRANSFORMATION (via Right to Succeed)

(£8,334 awarded in 2022 from 2020 grant of £58,000)

Right to Succeed is a youth organization that exists to equip every child with the skills, wellbeing and access to opportunity to thrive from childhood to adulthood.

Big Change supported the staff costs associated with setting up the Centre for Place Based Transformation, a new approach to place-based community projects, demonstrating the power and value of place-based change and local learning ecosystems through both targeted, locally-led pilots and unlocking political will and funding at a government level to adopt an approach to place-based work that blends private, public and philanthropic involvement.

BIG EDUCATION TRUST

(£65,750 awarded in 2022 of total grant of £100,000)

Big Education is the incubator for Rethinking Assessment. We have funded Rethinking Assessment's Learner Profile's project. They have been learning from, and building on, best practices around the world to design an approach to assessment that helps every young person to thrive. Working on practical ideas and approaches to be piloted in schools, they have identified a powerful way forward: Learner Profiles. Drawing on work underway in the USA and Australia in particular.

Rethinking Assessment's vision is for every young person to put together a Learner Profile during their 14 year learning journey, including evidence of what they can do, what they have achieved, the story of their learning and a portfolio of their best work.

Young people will start creating their Learner Profile at school, topping it up as they go to demonstrate a range of achievements and show the breadth of their knowledge and capabilities. The profile will give universities, training providers and employers real information about the young person's competencies in crucial skills and provide a rounded picture that goes beyond a set of exam numbers and letters. We're funding the launch of the learner profiles.

THE LONDON INTERDISCIPLINARY SCHOOL

(£20,000 awarded in 2022 of total grant of £40,000)

The London Interdisciplinary School has been awarded a grant to develop and roll out an interdisciplinary programme in schools for students in KS5. The programme will centre around three distinct areas: complex problems, interdisciplinary learning and careers. Their long-term vision is to ensure that interdisciplinary (ID) learning is embedded within the curriculum at all levels and that an ID experience is a prerequisite for an outstanding school.

Their grant will be used toward staffing, development and implementation of the programme in schools.

4. Financial Review

Operating budget and grant making

We are grateful to Virgin Unite and our Catalyst Circle members for supporting Big Change operating expenditure in 2022. Operating expenditure totalled £1,007,123 (this includes staff costs, general expenses and other overhead costs).

During the course of the year Big Change received in-kind donations amounting to £161,830. The Trustees would like to thank Virgin Management Limited for providing donations in-kind of office space, IT support and professional services such as finance and taxation advice; and DLA Piper for providing extensive pro bono legal support via Thomson Reuters' Trust Law service.

During the year the cost of charitable activities was £1,823,298 (2021: £1,375,128). This includes finding and backing impact projects totalling £819,109 (2021: £681,567) as highlighted in Section 3, Our Impact.

For the 12-month period ending 31 December 2022, income (before net gains/(losses) on investments) exceeded costs by £722,637 (2021: income exceeded costs (before net gains/(losses) on investments) by £116,324). Total income, including Trading income and in-kind donations, was £3,000,206 (2021: £2,178,984) which comprised mainly charitable donations (including in-kind donations) of £2,652,199 (2021: £1,527,512). Consolidated unrestricted reserves increased during the period to £3,097,821 (2021: £2,609,378).

Going concern and reserves policy

The Board of Trustees are of the opinion that Big Change Charitable Trust has adequate resources to continue in operational existence for the foreseeable future. The Board of Trustees have identified no material uncertainties that cast significant doubt about the Big Change Charitable Trust to continue as a going concern.

At 31 December 2022, the Trustees' reserves policy is that Big Change should retain in the form of either cash or contracted income, at all times, (a) at least 12 months of working capital based on predicted known operating costs, and (b) the total amount allocated to current project partners through grant agreements. The Trustees have judged this level as appropriate given Big Change's liabilities, assets, and staffing structure. It is also appropriate given our two-yearly fundraising cycle.

At the end of 2022, Big Change held £1,250,000 in reserves to account for designated project grants and projected operating costs. Our projected grant making over the next three years is accounted for separately in respect of our reserves policy and will be covered by income raised from our community of supporters.

5. Grant making policy

Trustees approve all grants at the Trustee meetings that take place throughout the year (one every quarter) and grant applications must be approved by all Trustees to be successful. In anticipation of these meetings, an initial assessment and due diligence is undertaken by key management and operational personnel prior to the preparation of an assessment report for consideration by the Trustees in advance of the meeting.

1. Initial application

Applicants submit an initial one-page grant proposal and if management team agree, ask proposers to submit an expanded grant proposal.

2. Due Diligence and Assessment Report

Management will identify the Applicant and whether it is appropriate for Big Change to be involved with this Applicant through:

- an assessment of compliance with applicable laws and regulations, track record, charitable status etc; and
- a review of information in the public domain (e.g. applicant's website, Companies House, Charity Commission website, online news sources) to check for any environmental, social, business integrity, reputational or legal controversy relating to the Applicant.

Management then:

- assesses whether the Applicant can deliver what it promises to;
- analyses the proposed investment/project and its potential impact, outline any concerns;
- identifies associated risks and mitigation options; and
- prepares a report containing all relevant information for consideration by the Trustees.

3. Grant decision

The assessment report is sent to Trustees for contemplation in advance of the meeting at which they are considering the grant applications. At the meeting, the Trustees analyse the grant based on all of the relevant elements of the report and, if appropriate, approve the grant during the meeting.

4. Monitoring after approval and payment of the grant, Big Change management:

- follows up with the applicant according to the agreed reporting schedule and flags up any issues, new risks or variations from the project plan;
- records and reports impact of the grant; and
- confirms funds have been used as intended.

6. Related party transactions

In all instances where Big Change is potentially involved in a related party transaction, Trustees ensure that we not only act in the best interests of the charity by checking costs against the market but where applicable, also ensuring that Big Change is not licensing rights for less than their market rate. Details of the related party transactions are in note 9 to the accounts.

All Trustees and Staff are required to declare any conflicts of interest on an ongoing basis. When a conflict of interest is discovered or brought to the attention of the Leadership Team (LT) it is added to the Conflict of Interest register and then forwarded to the Chair of the Big Change Board of Trustees for consideration. The Chair then consults with his fellow Trustees and provides guidance and/or a mitigation strategy to the LT.

7. Structure, governance & management

The organisation is a charitable company limited by guarantee, incorporated on 22 June 2011, and registered as a charity on 23 December 2011.

The organisation was established under a memorandum of association, as amended by special resolutions on 10 December 2011 and 21 December 2011, which established the objects and powers of the organisation and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. No Trustees were reimbursed for any expenses incurred during the year. The Board of Trustees meet at least three times a year and the Charity is empowered to delegate its powers to the Committees of Trustees.

Typically, the charity's senior management team is present at the meetings of the Board of Trustees and, when appropriate, the Chair of the Board of Trustees is in regular contact with senior management. Day-to-day decisions are made by senior management and where necessary referred to the Board of Trustees for approval.

8. The appointment and recruitment of Trustees

The Trustees are responsible for the recruitment of new Trustees, which they carry out in light of the existing balance of skills and experiences of the Board. Before their appointment, all new Trustees attend an induction programme in order for them to properly undertake and fulfil their responsibilities to the Charity. The induction process ensures new Trustees meet existing Trustees and members of the Senior Management team.

9. Objectives and activities

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Trust's objects are:

- (a) the promotion of participation in healthy recreation in particular by the provision of facilities for the playing of sports;
- (b) to assist in such ways as the charity Trustees think fit any charity whose aims include advancing education of persons under the age of 25 years by developing their mental, physical and moral capabilities through leisure time activities;
- (c) to advance in life and help young people especially but not exclusively through:
 - (i) the provision of recreational and leisure time activities provided in the interest of social welfare, designed to improve their conditions of life; and
 - (ii) providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals;
- (d) to act as a resource for young people up to the age of 25 years by providing advice and assistance and organising programmes of physical, educational and other activities as a means of:
 - (i) advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
 - (ii) advancing education;
 - (iii) relieving unemployment; and
 - (iv) providing recreational and leisure time activity in the interests of social welfare for people living in the area of benefit who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such persons;
- (e) to assist in the treatment and care of persons suffering from mental or physical illness of any description or in need of rehabilitation as a result of such illness, by the provision of facilities for work and recreation and through the provision of financial assistance, support, education and practical advice;
- (f) the relief and assistance of people in any part of the world who are the victims of war or natural disaster, trouble, or catastrophe; and

(g) such charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the Trustees may from time to time determine.

10. Risk management

The Trustees regularly discuss and review the key risks to the charity and identify mitigation strategies during their Trustee meetings. The Trustees are satisfied that the key risks to the organisation are mitigated during the current year. Below is a list of the principle risks or uncertainties that management and Trustees have identified, along with information on how the organisation is managing them:

Big Change recognises our key risks and mitigation actions as follows

Risk	Mitigating action
1.1 - Financial: Macro-economic conditions (pandemic, war, recession) impact the organisation's ability to raise funds in the short and long-term.	• Adapting expenditure approach when necessary to maintain adequate reserves position. • Adjusting fundraising approach to seize opportunities as the situation evolves.
1.2 - Reputational: Big Change receives donations from a number of donors and there is a risk of receiving funds from inappropriate sources.	• Ensure that adequate due diligence is carried out on all potential big gift donors; • Maintain clear paper trails for all donations received.
1.3 - Charitable: Big Change grants funds to a number of different organisations and there is a risk that money is spent inappropriately.	• Management and Impact team to keep in regular contact with grantees; • Ensure that grantees are reporting back to Big Change per grant agreements.

The Trustees are satisfied that the key risks to the organisation are identified and that appropriate strategies are in place to manage them in the current year.

Statement on fundraising practice

The Trust does not use professional fundraisers or commercial participators to raise funds. The Trust nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations (2021: none) and codes and the Trust received no complaints (2021: none) relating to its fundraising practice.

11. Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees wish. During the year to 31 December 2020 the organisation adopted an Investment Policy (housed within Big Change's Treasury Management Policy) that, once ratified by the Trustees, was used to guide the investment of operational reserves with the organisation's nominated investment management firm. The policy includes general provisions, as well as the organisation's investment objectives, attitude towards risk, ethical investment priorities, and management reporting and approval processes. Additional financial details can be found in Note 11 of the annual accounts.

Since inception, the charity's portfolio returned performance of 6.4% net of all fees, costs and charges. This contrasts with the return from the ARC PCI GBP Cautious index which returned 4.2%, again net of fees, costs, and charges. This shows we are ahead of the ARC index for the short term and are meeting the investment objective in the longer term to outperform the relevant index.

12. Remuneration policy

The management team comprise the key management personnel of the charity, in charge of directing and controlling, running and operating the charity on a day to day basis. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. The charity benchmarks against pay levels in other similar organisations. All pay raises, as well as bonuses, are determined by the Board of Trustees after a formal end-of-year evaluation. Consensus must be reached before any pay rise or other form of compensation is awarded.

13. Statement of responsibilities of the Trustees

The Trustees (who are also directors of Big Change Charitable Trust for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware.
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' annual report has been approved by the Trustees on 4th July, 2023 and signed on their behalf by:

Philip Nevin

P Nevin
Chair of Trustees

D W Scott

D Scott
Trustee

Independent auditor's report

To the trustees of

Big Change Charitable Trust

Opinion

We have audited the financial statements of Big Change Charitable Trust (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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 charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

Independent auditor's report

To the trustees of

Big Change Charitable Trust

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report

To the trustees of

Big Change Charitable Trust

Our 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- (1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.
- (2) We reviewed the charity's policies and procedures in relation to:
 - Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
 - Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.
- (3) We inspected the minutes of trustee meetings.
- (4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.
- (5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.
- (6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.
- (7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:
 - Testing the appropriateness of journal entries;
 - Assessing judgements and accounting estimates for potential bias;
 - Reviewing related party transactions; and
 - Testing 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. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Independent auditor's report

To the trustees of

Big Change Charitable Trust

Use of our report

This report is made solely to the charity'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 charity'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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

5 July 2023

Alison Godfrey

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:
Godfrey Wilson Limited
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Big Change Charitable Trust

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2022

		Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
	Note						
Income from:							
Donations and legacies	2	2,320,218	331,981	2,652,199	1,220,269	307,243	1,527,512
Other trading activities	3	312,000	–	312,000	601,749	–	601,749
Investments		34,997	–	34,997	28,760	–	28,760
Other incoming resources		1,010	–	1,010	20,963	–	20,963
Total income		2,668,225	331,981	3,000,206	1,871,741	307,243	2,178,984
Expenditure on:							
Raising funds							
Cost of fundraising		166,032	–	166,032	173,276	–	173,276
Costs of trading		288,239	–	288,239	514,256	–	514,256
Charitable activities							
Impact		701,770	117,339	819,109	544,911	136,656	681,567
Community		489,178	51,364	540,542	336,906	72,657	409,563
System		412,283	51,364	463,647	211,341	72,657	283,998
Total expenditure	4a	2,057,502	220,067	2,277,569	1,780,690	281,970	2,062,660
Net income/(expenditure) before net gains/(losses) on investments		610,723	111,914	722,637	91,051	25,273	116,324
Net gains/(losses) on investments		(122,280)	–	(122,280)	89,399	–	89,399
Net income/(expenditure) for the year	6	488,443	111,914	600,357	180,450	25,273	205,723
Transfers between funds		–	–	–	30,500	(30,500)	–
Net movement in funds		488,443	111,914	600,357	210,950	(5,227)	205,723
Reconciliation of funds:							
Total funds brought forward		2,609,378	12,273	2,621,651	2,398,428	17,500	2,415,928
Total funds carried forward		3,097,821	124,187	3,222,008	2,609,378	12,273	2,621,651

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

Big Change Charitable Trust

Balance sheets

Company no. 07679479

As at 31 December 2022

	Note	The group 2022 £	2021 £	The charity 2022 £	2021 £
Fixed assets:					
Investments	11	979,860	1,103,212	979,861	1,103,213
		<u>979,860</u>	<u>1,103,212</u>	<u>979,861</u>	<u>1,103,213</u>
Current assets:					
Debtors	13	281,669	91,969	52,397	105,201
Short term cash deposit		1,714,947	1,083,415	1,714,947	1,083,415
Cash at bank and in hand		888,530	782,320	536,149	379,246
		<u>2,885,146</u>	<u>1,957,704</u>	<u>2,303,493</u>	<u>1,567,862</u>
Liabilities:					
Creditors: amounts falling due within one year	14	642,998	439,265	62,716	50,795
		<u>642,998</u>	<u>439,265</u>	<u>62,716</u>	<u>50,795</u>
Net current assets		<u>2,242,148</u>	<u>1,518,439</u>	<u>2,240,777</u>	<u>1,517,067</u>
Total net assets	16a	<u>3,222,008</u>	<u>2,621,651</u>	<u>3,220,638</u>	<u>2,620,280</u>
Funds:	17a				
Restricted income funds		124,187	12,273	124,187	12,273
Unrestricted income funds:					
General funds		3,015,535	2,474,007	3,015,535	2,474,007
Non-charitable trading funds		1,370	1,371	-	-
Designated funds		80,916	134,000	80,916	134,000
		<u>3,097,821</u>	<u>2,609,378</u>	<u>3,096,451</u>	<u>2,608,007</u>
Total unrestricted funds		<u>3,097,821</u>	<u>2,609,378</u>	<u>3,096,451</u>	<u>2,608,007</u>
Total funds		<u>3,222,008</u>	<u>2,621,651</u>	<u>3,220,638</u>	<u>2,620,280</u>

The accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies regime.

Approved by the Trustees on 4 July 2023 and signed on their behalf by

Philip Nevin

D W Scott

P Nevin
Chair of Trustees

D. Scott
Trustee

Big Change Charitable Trust

Consolidated statement of cash flows

For the year ended 31 December 2022

	Note	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		600,357		205,723	
(Gains)/losses on investments	11	122,280		(89,399)	
Dividends, interest and rent from investments		(34,997)		(28,760)	
(Increase)/decrease in debtors	13	(189,700)		(15,223)	
Increase in creditors	14	203,733		179,385	
Net cash provided by operating activities			701,673		251,725
Cash flows from investing activities:					
Proceeds from sale of investments	11	391,398		213,120	
Purchase of investments	11	(427,086)		(393,605)	
Dividends, interest and rent from investments		34,997		28,760	
Movement within cash held by investment managers	11	36,760		(65,048)	
Decrease/(increase) in short term cash deposits		(631,532)		234,883	
Net cash provided by / (used in) investing activities			(595,463)		18,110
Change in cash and cash equivalents in the year			106,210		269,835
Cash and cash equivalents at the beginning of the year			782,320		512,485
Cash and cash equivalents at the end of the year			888,530		782,320

1 Accounting policies

a) Statutory information

Big Change Charitable Trust is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 7 Savoy Court, London, WC2R 0EX.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Big Change Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Board of Trustees are of the opinion that Big Change Charitable Trust has adequate resources to continue in operational existence for the foreseeable future. The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Trading events income is measured at the fair value of the consideration received or receivable and is recognised when the event takes place.

1 Accounting policies (continued)

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are defined as grant payments the charity is reasonably certain will be paid to grantees (as per the payment schedule) prior to the date of the signing of the accounts, but do not meet the criteria for recognition as a liability or provision at the balance sheet date.

i) Expenditure and irrecoverable VAT

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

Expenditure is classified under the following activity headings:

- Costs of fundraising relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose and also includes investment management costs.
- Costs of trading relate to costs incurred by the Trading subsidiary.
- Expenditure on charitable activities includes the costs of grants made and staff time spent to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

1 Accounting policies (continued)

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity. The basis used in 2022 is consistent with that applied in 2021.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities in line with the proportion of staff time dedicated to fundraising activities.

● Cost of fundraising	20.0%
● Cost of trading	0.0%
● Charitable activities: impact	26.7%
● Charitable activities: community	26.7%
● Charitable activities: system	26.7%

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £3,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

m) Investments in subsidiaries

Investments in subsidiaries are at cost.

n) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

o) Debtors

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

p) Short term deposits

Short term cash deposits consist of cash held on deposit in interest bearing accounts. Such investments are measured at their fair value

q) Cash at bank and in hand

Cash at bank and cash 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.

r) Creditors and provisions

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

1 Accounting policies (continued)

s) 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.

t) Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the charity pays fixed contributions into a separate entity. Once the contributions have been paid, the charity has no further payment obligations.

The amounts charged in the Statement of Financial Activities for defined contribution pension schemes represent the contributions payable in the period. The assets of the plan are held in independently administered funds, so are not included in the assets of the charity.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Donated services	161,830	–	161,830	144,799	–	144,799
Charitable donations	2,158,388	331,981	2,490,369	1,075,470	307,243	1,382,713
	<u>2,320,218</u>	<u>331,981</u>	<u>2,652,199</u>	<u>1,220,269</u>	<u>307,243</u>	<u>1,527,512</u>

The donated goods and services consisted of (1) office space, IT support and professional services such as finance and taxation advice provided by Virgin Management Limited throughout the period; (2) pro bono legal support provided by DLA Piper.

3 Income from other trading activities

	2022 Total £	2021 Total £
Entry fees (events inc. STRIVE)	312,000	601,749
	<u>312,000</u>	<u>601,749</u>

All income from other trading activities is unrestricted.

4a Analysis of expenditure (current year)

	Cost of raising funds		Charitable activities					2022 Total £	2021 Total £
	Cost of fundraising	Cost of trading £	Impact £	Community £	System £	Governance costs £	Support costs £		
Staff costs (Note 7)	58,739	-	278,150	208,233	147,949	47,236	82,893	823,200	584,886
Events – cost of trading	-	288,239	-	-	-	-	-	288,239	514,256
Marketing	3,263	-	979	979	979	-	326	6,526	20,775
Research and content	-	-	187,664	187,664	187,664	-	-	562,992	381,816
Office and premises costs	-	-	-	-	-	-	148,792	148,792	124,535
General Expenses	7,660	-	12,945	24,581	21,743	-	95,015	161,944	88,239
Legal and professional	586	-	-	13,773	-	20,659	-	35,018	34,503
Investment management fees	16,799	-	-	-	-	-	-	16,799	16,140
Tax payable by subsidiaries	-	-	-	-	-	-	-	-	876
Grants awarded (note 5)	-	-	234,059	-	-	-	-	234,059	296,634
	87,047	288,239	713,797	435,230	358,335	67,895	327,026	2,277,569	2,062,660
Support costs	65,405	-	87,207	87,207	87,207	-	(327,026)	-	
Governance costs	13,580	-	18,105	18,105	18,105	(67,895)	-	-	-
Total expenditure 2022	166,032	288,239	819,109	540,542	463,647	-	-	2,277,569	
Total expenditure 2021	173,276	514,256	681,567	409,563	283,998	-	-		2,062,660

4b Analysis of expenditure (prior year)

	Cost of raising funds		Charitable activities			Governance costs £	Support costs £	2021 Total £
	Cost of fundraising £	Cost of trading	Impact £	Community £	System £			
Staff costs (Note 7)	77,139		163,682	174,511	62,747	48,474	58,333	584,886
Events – cost of trading		514,256	–	–	–	–	–	514,256
Marketing	10,388		3,116	3,116	3,116	–	1,039	20,775
Research and content	–		127,272	127,272	127,272	–	–	381,816
Office and premises costs	–		–	–	–	–	124,535	124,535
General expenses	586		–	–	–	–	87,653	88,239
Legal and professional	–		–	13,801	–	20,702	–	34,503
Investment management fees	16,140		–	–	–	–	–	16,140
Tax payable by subsidiaries	876		–	–	–	–	–	876
Grants awarded (note 5)	–		296,634	–	–	–	–	296,634
	105,129	514,256	590,704	318,700	193,135	69,176	271,560	2,062,660
Support costs	54,312	–	72,416	72,416	72,416	–	(271,560)	–
Governance costs	13,835	–	18,447	18,447	18,447	(69,176)	–	–
Total expenditure 2021	173,276	514,256	681,567	409,563	283,998	–	–	2,062,660

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2022

5 Grant making

	2022 £	2021 £
#BeeWell Manchester (via the University of Manchester)	–	10,000
Big Education Trust	65,750	–
Centre for Place Based Transformation via Right to Succeed	8,334	19,334
Children's University Trust	27,000	19,000
Cymbrogi Futures	43,000	21,000
Foundation for Education Development	5,000	5,000
ImpactEd Limited	–	30,000
Joined Up (via Reach Foundation)	20,000	20,000
Lighthouse (via Catch-22 Charity Ltd.)	–	77,000
No Limits (via Gesher Trust)	25,000	25,000
Parent Ping (via Education Intelligence)	–	2,800
Rekindle School (via Northern Soul Consultancy)	–	30,000
SHiFT UK (formerly Whatever it Takes)	–	12,500
The London Interdisciplinary School	20,000	–
Tranquiliti	19,975	25,000
Total	234,059	296,634

	2022 £	2021 £
Reconciliation of movements in grant creditors		
Brought forward grant creditor	25,000	27,500
Add: Grants awarded in the year	234,059	296,634
Less: Grants paid in the year	(259,059)	(299,134)
Carried forward grant creditor (note 14)	–	25,000

6 Net incoming/(outgoing) resources for the year

This is stated after charging:

	2022 £	2021 £
Trustees' indemnity insurance	586	586
Auditor's remuneration (excluding VAT):		
Audit	8,400	7,000
Audit – over accrual from prior year	(180)	–

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	710,177	507,573
Social security costs	84,211	54,630
Pension contributions	28,812	22,683
Total	823,200	584,886

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022 No.	2021 No.
£60,000 – £69,999	–	–
£70,000 – £79,999	1	1
£80,000 – £89,999	–	2
£90,000 – £99,999	2	–
	<u>2</u>	<u>–</u>

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £237,869 (2021: £285,843).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). No trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2021: £nil) incurred by 0 (2021: 0) members relating to attendance at meetings of the trustees.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2022 No.	2021 No.
Cost of Raising funds	1.0	2.0
Impact	4.0	1.0
Community	4.0	2.0
System	2.0	2.0
Governance and Support	2.0	2.0
Kickstart	–	1.3
	<u>13.0</u>	<u>10.3</u>

9 Related party transactions

During the year legal fees of £1,917 (Trust; 2021 £1,052) and £349 (Trading; 2021 £685) were paid to Harbottle and Lewis LLP in respect of legal services provided to the charity in connection with secretarial duties. David Scott is a trustee of the charity and a partner in Harbottle and Lewis LLP. Harbottle and Lewis LLP do not charge for the time David spends providing services as a trustee. At 31 December 2022 there were no amounts outstanding between the charity and Harbottle and Lewis LLP.

Virgin Management Limited have provided the charity with office space including administrative services at no cost. This has been recognised as a donated service both within income and expenditure, valued at £150,508 (2021: £138,580). During the year H. Branson was a trustee of Big Change and was also employed by Virgin Management Limited.

Virgin Unite has provided the charity with an unrestricted grant of £110,000 (2021: £230,000) to cover the core costs of the charity. In addition, a £140,000 grant was received in relation to Pioneer's Prize. H. Branson is a trustee of Big Change and is also a Trustee of Virgin Unite.

During the course of the year there were no donations made to Big Change by its trustees (2021: £nil).

A total of £240,769 was paid to Virgin Limited Edition (VLE) for exclusive use of Necker Island during the annual Strive event (2021: £394,561). VLE is a subsidiary of Virgin Management Limited and the balance outstanding from Big Change Trading Limited to VLE at the balance sheet date was £nil.

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

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Big Change Trading Limited distributes available profits under gift aid to the parent charity. Its charge to corporation tax in the year was:

	2022 £	2021 £
Profit/(Loss) on ordinary activities before taxation	27,678	76,081
Profit/(loss) before tax multiplied by standard rate of corporation tax in the UK of 19.00% (2021 – 19.00%)	5,259	14,455
Effects of:		
Adjustments in respect of prior year	–	–
Income not taxable	(5,259)	(13,579)
Income tax expense reported in the income statement	–	876

11 Investments

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Fair value at the start of the year	1,103,212	768,280	1,103,213	768,281
Additions at cost	427,086	393,605	427,086	393,605
Disposal proceeds	(391,398)	(213,120)	(391,398)	(213,120)
Net (loss)/gain on change in fair value	(122,280)	89,399	(122,280)	89,399
Movement within cash held by investment managers	(36,760)	65,048	(36,760)	65,048
Fair value at the end of the year	979,860	1,103,212	979,861	1,103,213

Investments comprise:

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Unlisted shares in UK registered companies	–	–	1	1
Cash	33,733	71,747	33,733	71,747
Listed investments	946,127	1,031,465	946,127	1,031,465
	979,860	1,103,212	979,861	1,103,213

12 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Big Change Trading Limited, a company registered in England (company number 07998643). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2022 £	2021 £
Turnover	312,000	601,749
Cost of Sales	(284,322)	(525,668)
Profit/(loss) on ordinary activities before taxation	27,678	76,081
Taxation	–	(876)
Profit/(loss) for the financial year	27,678	75,205
Retained earnings		
Retained earnings brought forward	1,370	(2,362)
Profit for the financial year	27,678	75,205
Distribution under gift aid to parent undertaking	(27,678)	(71,473)
Retained earnings carried forward	1,370	1,370
The aggregate of the assets, liabilities and funds was:		
Assets	634,050	476,206
Liabilities	(632,679)	(474,835)
Capital and retained earnings	1,371	1,371

Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2022 £	2021 £
Gross income	2,725,712	1,663,600
Result for the year	600,357	201,991

13 Debtors

	The group		The charity	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	80,918	–	–	–
Prepayments and Other debtors	200,751	91,969	–	18,837
Amounts owed by Subsidiary	–	–	52,397	86,364
	281,669	91,969	52,397	105,201

14 Creditors: amounts falling due within one year

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	170,333	258,830	15,052	2,360
Grant Creditors (note 5)	–	25,000	–	25,000
Accruals	50,885	23,435	43,384	23,435
Deferred income (note 15)	417,500	132,000	–	–
Other payables	4,280	–	4,280	–
	642,998	439,265	62,716	50,795

15 Deferred income

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Balance at the beginning of the year	132,000	214,911	–	41,000
Amount released to income in the year	(12,000)	(82,911)	–	(41,000)
Amount deferred in the year	347,500	–	–	–
Balance at the end of the year	417,500	132,000	–	–

Deferred income is comprised of event entry fees that have been ported over to the next financial year when the events will take place and then be counted as income.

16a Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Fixed asset investments	979,860	–	–	979,860
Net current assets	2,037,045	80,916	124,187	2,242,148
Net assets at 31 December 2022	3,016,905	80,916	124,187	3,222,008

16b Analysis of group net assets between funds (prior year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Fixed asset investments	1,103,212	–	–	1,103,212
Net current assets	1,372,166	134,000	12,273	1,518,439
Net assets at 31 December 2021	2,475,378	134,000	12,273	2,621,651

17a Movements in funds (current year)

	At 1 January 2022 £	Income £	Expenditure £	Gains, losses and transfers £	At 31 December 2022 £
Restricted Funds	12,273	331,981	(220,067)	–	124,187
General funds	2,475,378	2,668,225	(1,869,418)	(257,280)	3,016,905
Designated funds	134,000	–	(188,084)	135,000	80,916
Total funds	2,621,651	3,000,206	(2,277,569)	(122,280)	3,222,008

Restricted funds: in 2022 Big Change received donations totalling £331,981 that were restricted to specific projects. £19,975 of the total was allocated to the Tranquility project, £40,000 to Joined Up, £12,000 to Big Education Challenge, £39,006 to Global Learning Alliance, £140,000 to Pioneer's Prize, £51,000 to Big Education Conversation, and £30,000 to the Co-mission project.

Gains, losses and transfers includes a total of £135,000 of funds transferred from unrestricted to designated funds, leaving a closing balance of £80,916 in designated funds. This represents grant payments the charity is reasonably certain will be paid to grantees (as per the payment schedule), but do not meet the criteria for recognition as a liability or provision at the balance sheet date.

17b Movements in funds (prior year)

	At 1 January 2021 £	Income £	Expenditure £	Gains, losses and transfers £	At 31 December 2021 £
Restricted Funds	17,500	307,243	(281,970)	(30,500)	12,273
General funds	2,278,844	1,871,741	(1,548,056)	(127,151)	2,475,378
Designated funds	119,584	–	(232,634)	247,050	134,000
Total funds	2,415,928	2,178,984	(2,062,660)	89,399	2,621,651

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

BIG CHANGE CHARITABLE TRUST

England & Wales - Charity number 1145224

Accounts

Company number: 07679479
Charity number: 1145224

Big Change Charitable Trust

Report and financial statements
For the year ended 31 December 2021

Big Change Charitable Trust

Contents

For the year ended 31 December 2021

Reference and administrative information	1
Trustees' annual report	2
Independent auditor's report	14
Consolidated statement of financial activities	18
Balance sheet	19
Statement of cash flows	20
Notes to the financial statements	21

For the year ended 31 December 2021

1

The Trustees present their report and the audited financial statements for the year ended 31 December 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

1. Chair's Report

Big Change was founded in 2012 to think differently about how charity can be a catalyst for positive long-term change for young people. Since then, we've become a small but disruptive force for change, and have developed a tried and tested model for our role as a catalyst.

2021 was a turbulent year. We saw the extraordinary resolve of the team shine through as we continued to operate in a constant state of uncertainty – the viability of in-person events, travel, and income streams. We ended the year with a collective sigh of relief, and a good dose of pride, in how we lent in to this crisis, and emerged stronger because of it. The organisation made the most of the challenges to create opportunities – capitalising on the moment to listen, learn and double down on the need for big change given both the disruption to 'education as normal' and the further exposure of gaps and symptoms that the status quo is failing so many young people.

Network & System

The Network and System team continued to build on our approach in working with allies across the sector to drive system change through three connected strands of work:

- The global network and New Education Story publication launched in December;
- The development of Subject to Change as a national project to empower young people and the public to set a new direction for learning; and
- The Big Education Conversation which engaged 25,600 people in June.

Each of these strands of work launched a publication as a platform for change from voices from the top leaders in global education to UK sector partners and the often-underserved voices of young people, parents, teachers, and employers. This work lays a very solid foundation for action and influence in 2022.

Development

We are incredibly grateful to the continued backing of some of our most loyal supporters (Strive Catalyst Circle, Joann McPike, Virgin Unite, to name a few) whose long term commitments helped see us through the uncertainty this year when in-person events remained difficult. The team effectively managed the uncertainty to both plan for short term adapted event income (Strive Weekender, Virtual Strive, Strive BVI) while accelerating our work on future income streams. Building on our greatest strengths, our growing credibility in backing pioneers, and our sector-leading work on system change we are engaging new and high-potential audiences. The success of Strive BVI at the end of year – both in terms of short-term fundraising, but also as a much-needed pipeline builder – has been a huge boost as we transition to more diverse income streams.

Impact

Following on from the Emergent Needs Fund in 2020, we backed six new projects in 2021, spread across a range of areas where there was both a clear need and opportunity for change (special educational needs; raising the profile and resource of extra-curricular; new models of joined-up leadership; youth-led engagement around measuring wellbeing; developing a long-term plan for UK education; and embedding a new sustainable country-wide curriculum in Wales).

We launched these projects while continuing support to our existing projects and conducted an impact review which revealed that, to date, Big Change projects have impacted the lives of 2.8 million young people across the UK. We continue to stay focused on how to build a pipeline of brilliant projects with representative leaders addressing critical challenges. 2022 will see us focus on incentivising change and big ideas through the launch of our Big Change Prize Fund.

Big Change's finances recovered somewhat in 2021, with charitable income up 35% on 2020 to £1.38m, but still below pre-pandemic levels. Expenditure was reigned in to compensate for the reduced forecast income, resulting in a net surplus of £112k before net gains/losses on investments (as compared to a net loss of £534k in 2020). As the giving environment (hopefully) stabilises in 2022, Big Change is expected to significantly increase programme expenditure, most notably in the form of the above mentioned £1m Big Change Prize Fund.

From a governance perspective, we're fortunate to have had two extraordinary new trustees join the Board, Dame Alison Peacock and Nyasha Duri, and hope to build out the Trustees – and Team – further in 2022.

For the coming year, our strategy is centred around three areas of work, with a focus on building on our solid foundations and proven model to increasingly work with partners to amplify our potential to catalyse big change:

- 1 **Subject to Change** – we'll build the necessary capacity and support (team, funding and partnerships) for Phases 2 and 3 and guide the effective design and delivery of Phase 2 (setting the strategy and holding the ambition, co-ordinating partners to deliver, ensuring integration between the strands).
- 2 **The Big Change Prize Fund** – we'll refine and implement a systematic, joined up approach to identifying and supporting representative, values aligned pioneers and projects that show a new way is possible.
- 3 **A New Education Story** – we'll activate powerful opportunities for our growing global network of partners and pioneers to lead the global dialogue on the drivers for education system transformation, whilst simultaneously galvanising high-level decision makers (system leaders and funders) to act on these same drivers.

With the world opening up, and the demand for system transformation (not reform) clearer than ever before, 2022 looks to be an exciting year for Big Change, one where a multitude of actors – from teachers to parents to employers and, of course, young people – are coming together to bring about real, lasting change.

Philip Nevin (Chair)

.....
Date:

2. About Big Change

We want to see a society working together so that every young person is set up to thrive in life, not just exams.

By 2030 we aim to:

1. **Show a new way is possible** – Pioneering approaches to supporting young people have become the new normal, and the learning experience of every child, no matter what their background or circumstance, sets them up with the agency and opportunity to thrive.
2. **Make education everyone's business** – All parts of society, including parents and employers, are actively involved in supporting young people and schools to thrive as part of learning ecosystems
3. **Create a new common sense** – Wider society has accepted a new and expanded purpose for education, and key parts of the system have changed to support it.

We act as a catalyst for this change by:

- Backing the pioneers who are leading bold approaches at the frontline of change;
- Uniting a community of supporters to direct funds and energy to the areas of greatest impact;
- Working with cross-sector allies to catalyse system change.

Our model and approach to achieve this consists of three distinct but interlinked pillars - Insight, Action, and Support:

1. **Insight:** We listen and learn with and from all parts of the system to understand what is needed to support reimagining education over the long-term.
2. **Action:** We target our support to the most critical opportunity areas by finding and backing the leaders with big vision to help them prove a new way is both possible and powerful.
3. **Support:** We activate a network of people and organisations who power this change through individual effort and collective action.

For more information please see big-change.org, our 10 Hopes for Change or our *Change is Happening* impact review.

3. Our Projects

Big Change will only happen if we do things differently, which is why we fund in the areas where there is critical need, we have a unique opportunity to add value and that, if changed, could have a broader systemic impact.

When considering projects, we are particularly interested in the following key criteria:

1. Does the applicant have a bold ambition for system change, with the potential to significantly impact on the broader sector? What is the unique and disruptive insight that can really change the way things are done?
2. Does the idea focus on positive growth: would the project clearly support young people to unlock their potential, and make a real difference?

3. Does the proposal demonstrate that there is a clear and compelling need? Is there a clear benefit to the education/youth development sector in the UK, and would the project have support from sector experts and other practitioners?
4. Do the team have passionate leadership: are the right people in place with the expertise and experience to fulfil their big ambition?
5. Is the project a good fit for Big Change: can we add significant value to the project?

With the above in mind, we launched our 2021 grant allocation process, with up to £300,000 in available funding for aligned project partners. The applications needed to score well on the criteria listed above, as well as demonstrate alignment with our 10 Big Hopes for Change in Education.

We solicited applications from a number of people and organisations who were part of our pipeline development and high-quality referral network. Each submitted an expression of interest and, if successful, a subsequent detailed proposal was assessed, both internally and by an invited Impact Council of sector experts and Trustees (see Section 5, Grant Making Policy).

Of the £250k available, £234k was allocated to 6 projects over a period of two years. Of this amount, £100k was disbursed in 2021, with the remainder (£134k) designated for 2022.

An additional £172k was disbursed in 2021 to partners from the 2019 and 2020 project cohorts. An additional project, Tranquiliti, from our 2020 cohort, was funded as a specific one-off by one of our funders and was awarded £25k in 2021.

This brings the total of funds distributed to Big Change project partners in 2021 to £296,634 (£100k to new 2021 project partners, the remaining £197k to previous cohorts).

Details of all funded projects are as follows:

2021 Cohort

CHILDREN'S UNIVERSITY TRUST (£19,000 awarded in 2021)

Children's University Trust works in partnership with schools across the UK to develop a love of learning by encouraging participation in quality-assured extracurricular activities in and outside of school.

We supported staff time for the CEO and Head of Comms to engage in advocacy and campaigning work to increase resource, visibility and access for learning outside the classroom.

NO LIMITS (via Gesher Trust) (£25,000 awarded in 2021)

Led by Gesher Trust, an established leader in working with children with special educational needs and disabilities, NoLimits will create a new evidence-based model of teaching and learning, and a community of practice for secondary school students that is academically rigorous and showcase it in other SEN learning communities.

We supported the creation of NoLimits by funding Gesher's Director of Rigour, Director of Curation, and Community of Practice Lead to get the group off the ground.

CYMBROGI FUTURES

(£21,000 awarded in 2021)

Cymbrogi Futures is a programme in its pilot stage; designing unique learning journeys for both educators and young people to empower them to take on their futures with confidence. Their suite of programmes includes both online and residential programmes (hosted on their natural site) focused on their 'Core Four': sustainability, wellbeing, creative skills and collaboration.

We funded staff time required to get these pilot programs off the ground, including the Program Director and learning designer.

JOINED UP (via Reach Foundation)

(£20,000 awarded in 2021)

JoinedUp is collaboration of award-winning and trusted organisations - Frontline, UK Youth, Reach Foundation, and Dixon Academies Trust - that will bring together school leaders, social workers and youth workers to better support disadvantaged children and young people across the UK.

We funded the staff time necessary to facilitate the network building and learning activities that will help identify and seek to address barriers to working in this 'joined up' way, locally and nationally.

FOUNDATION FOR EDUCATION DEVELOPMENT

(£5,000 awarded in 2021)

The FED has been set up to address the problem of the short-term nature of education policy. It is an independent organisation that can bring together stakeholders from all sides and sectors to build on the wisdom and experience of policy makers, practitioners, and all interested parties.

Big Change funded a Workstream Director to oversee the delivery of four workstreams, including a vision and purpose for a 10-year plan for education and the structures and governance for this plan, for 12 months.

#BEEWELL MANCHESTER (via the University of Manchester)

(£10,000 awarded in 2021)

#BeeWell, a consortium of The University of Manchester and the Anna Freud Centre, in partnership with the Greater Manchester Combined Authority, will oversee the delivery of an annual survey, co-created with young people, to assess the wellbeing (and the factors that influence wellbeing) of young people in Years 8 to 10 in up to 250 secondary schools across Greater Manchester over three academic years.

Big Change contributed £20,000 to pot of funding that will be the commissioning budget for #BeeWell's young commissioners, who will use the survey results to commission work to improve wellbeing outcomes.

TRANQUILITI

(£25,000 awarded in 2021)

Tranquiliti is a new, digital service that looks to place the voice of every young person at the heart of their school. Central to their service is a question-set which asks young people about their wellbeing, mental health, and experiences at school. They support tailored early intervention and positive culture change in schools, as well as more effective signposting for young people onto the support they need most.

In 2021, via a specific donation from a Foundation tied to Tranquiliti, we supported the founders' time, plus development costs, to roll out the pilot of this service.

2020 Cohort

CENTRE FOR PLACE BASED TRANSFORMATION (via Right to Succeed)

(£19,334 awarded in 2021 from 2020 grant of £58,000)

Right to Succeed is a youth organization that exists to equip every child with the skills, wellbeing and access to opportunity to thrive from childhood to adulthood.

Big Change supported the staff costs associated with setting up the Centre for Place Based Transformation, a new approach to place-based community projects, demonstrating the power and value of place-based change and local learning ecosystems through both targeted, locally-led pilots and unlocking political will and funding at a government level to adopt an approach the place-based work that blends private, public and philanthropic involvement.

SHiFT UK (formerly Whatever it Takes)

(£12,500 awarded in 2021 from 2020 grant of £30,000)

SHiFT exists to break the destructive cycle of offending behaviours in children enabling them to enjoy lives of choice and opportunity. SHiFT's model offers a radical blueprint for challenging the way services are designed and delivered that will produce dramatically improved outcomes at significantly lower costs.

Big Change funded the activities that will generate the impact, evidence and learning that would help SHiFT's approach scale across the sector.

PARENT PING (via Education Intelligence)

(£2,800 awarded in 2021)

Parent Ping is a daily survey app that helps parents learn how other parents are dealing with life by sharing experiences, gathering and sharing data on what's happening, and to meld together education and parent data in a way that has never been done before.

In 2021, Big Change topped up Parent Ping's original grant (£40,000 in 2020) to cover the reporting costs for the pilot of an in-school research and recruitment program of parents of secondary school children.

2019 Cohort

LIGHTHOUSE (via Catch-22 Charity Ltd.)

(£77,000 awarded in 2021 from 2019 grant of £154,000)

Lighthouse will ensure that care leavers are viewed as an asset rather than a cost to society. They believe that residential care should be seen as an opportunity for the young person placed in it, not a failure, and aim to make a big change for children in care with a brand-new kind of children's home based on successful German and Danish methods of practice.

Big Change funded the full-time salaries of a Head of Influence and Impact and a Partnerships Manager for 2 years.

REKINDLE SCHOOL

(£30,000 top up awarded in 2021, following on from 2019 grant of £49,700)

Rekindle is a supplementary school for 13-16 year-olds in South Manchester, at risk of mainstream and school exclusion, those struggling with motivation at school, or whose families are struggling to provide support. It offers a wraparound programme of learning, support, mentoring, business engagement, topical masterclasses and career development.

Big Change has provided the seed funding to cover the core costs associated with setting up the program.

IMPACTED LIMITED

(£30,000 awarded in 2021, from 2019 grant of £120,000)

ImpactEd is developing England first teacher-led evidence and action-research platform to help teachers and school leaders identify what is working best in their context and on more than grades alone.

Big Change funded the core salary costs associated with delivering across 3 workstreams: testing and experimentation, building a coalition, and sector learning and dissemination.

4. Financial Review

Operating budget and grant making

We are grateful to Virgin Unite, the Greenslade Family Foundation, and our Catalyst Circle members for supporting Big Change operating expenditure in 2021. Their grants covered the majority of operating expenditure, which totalled £687,364 (which includes staff costs, general expenses and other overhead costs).

During the course of the year Big Change received in-kind donations amounting to £144,799 (2020: £162,566). The Trustees would like to thank Virgin Management Limited for providing donations in-kind of office space, IT support and professional services such as finance and taxation advice; and Arnold & Porter Kaye Scholer LLP for providing extensive pro bono legal support via Thomson Reuters' Trust Law service.

During the year the cost of charitable activities was £1,375,128 (2020: £1,483,786). This includes direct grants to institutions and research totalling £678,450 (2020: £893,159) as highlighted in Section 3, Our Impact.

For the 12-month period ending 31 December 2021, income (before net gains/losses on investments) exceeded costs by £116,324 (2020: costs exceeded income (before net gains/losses on investments) by £534,464). Total income, including trading income and in-kind donations, was £2,178,984 (2020: £1,199,038) which comprised mainly charitable donations (including in-kind donations) of £1,527,512 (2020: £1,190,236). Consolidated unrestricted reserves increased during the period to £2,609,378 (2020: £2,398,428).

Going concern and reserves policy

The Board of Trustees are of the opinion that, despite the COVID-19 pandemic and its implications on short and long-term fundraising, Big Change Charitable Trust has adequate resources to continue in operational existence for the foreseeable future. The Board of Trustees have identified no material uncertainties that cast significant doubt about the Big Change Charitable Trust to continue as a going concern.

At 31 December 2021, the Trustees' reserves policy is that Big Change should retain in the form of either cash or contracted income, at all times, (a) at least 12 months of working capital based on predicted known operating costs, and (b) the total amount allocated to current project partners through grant agreements. The Trustees have judged this level as appropriate given Big Change's liabilities, assets, and staffing structure. It is also appropriate given our two-yearly fundraising cycle.

At the end of 2021, Big Change held £1,090,000 in reserves to account for designated project grants and projected operating costs. Our projected grant making over the next three years is accounted for separately in respect of our reserves policy and will be covered by income raised from our community of supporters.

5. Grant making policy

Trustees approve all grants at the Trustee meetings that take place throughout the year (one every quarter) and grant applications must be approved by all Trustees to be successful. In anticipation of these meetings, an initial assessment and due diligence is undertaken by key management and operational personnel prior to the preparation of an assessment report for consideration by the Trustees in advance of the meeting.

1. Initial application

Applicants submit an initial one-page grant proposal and if management team agree, ask proposers to submit an expanded grant proposal.

2. Due Diligence and Assessment Report

Management will identify the Applicant and whether it is appropriate for Big Change to be involved with this Applicant through:

- an assessment of compliance with applicable laws and regulations, track record, charitable status etc; and
- a review of information in the public domain (e.g. applicant's website, Companies House, Charity Commission website, online news sources) to check for any environmental, social, business integrity, reputational or legal controversy relating to the Applicant.

Management then:

- assesses whether the Applicant can deliver what it promises to;
- analyses the proposed investment/project and its potential impact, outline any concerns;
- identifies associated risks and mitigation options; and
- prepares a report containing all relevant information for consideration by the Trustees.

3. Grant decision

The assessment report is sent to Trustees for contemplation in advance of the meeting at which they are considering the grant applications. At the meeting, the Trustees analyse the grant based on all of the relevant elements of the report and, if appropriate, approve the grant during the meeting.

4. Monitoring after approval and payment of the grant, Big Change management:

- follows up with the applicant according to the agreed reporting schedule and flags up any issues, new risks or variations from the project plan;
- records and reports impact of the grant; and
- confirms funds have been used as intended.

6. Related party transactions

In all instances where Big Change is potentially involved in a related party transaction, Trustees ensure that we not only act in the best interests of the charity by checking costs against the market but where applicable, also ensuring that Big Change is not licensing rights for less than their market rate. Details of the related party transactions are in note 9 to the accounts.

All Trustees and Staff are required to declare any conflicts of interest on an ongoing basis. When a conflict of interest is discovered or brought to the attention of the Leadership Team (LT) it is added to the Conflict of Interest register and then forwarded to the Chair of the Big Change Board of Trustees for consideration. The Chair then consults with his fellow Trustees and provides guidance and/or a mitigation strategy to the LT.

7. Structure, governance & management

The organisation is a charitable company limited by guarantee, incorporated on 22 June 2011, and registered as a charity on 23 December 2011.

The organisation was established under a memorandum of association, as amended by special resolutions on 10 December 2011 and 21 December 2011, which established the objects and powers of the organisation and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. No Trustees were reimbursed for any expenses incurred during the year. The Board of Trustees meet at least three times a year and the Charity is empowered to delegate its powers to the Committees of Trustees.

Typically, the charity's senior management team is present at the meetings of the Board of Trustees and, when appropriate, the Chair of the Board of Trustees is in regular contact with senior management. Day-to-day decisions are made by senior management and where necessary referred to the Board of Trustees for approval.

8. The appointment and recruitment of Trustees

The Trustees are responsible for the recruitment of new Trustees, which they carry out in light of the existing balance of skills and experiences of the Board. Before their appointment, all new Trustees attend an induction programme in order for them to properly undertake and fulfil their responsibilities to the Charity. The induction process ensures new Trustees meet existing Trustees and members of the Senior Management team.

9. Objectives and activities

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.□

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Trust's objects are:

- (a) the promotion of participation in healthy recreation in particular by the provision of facilities for the playing of sports;
- (b) to assist in such ways as the charity Trustees think fit any charity whose aims include advancing education of persons under the age of 25 years by developing their mental, physical and moral capabilities through leisure time activities;
- (c) to advance in life and help young people especially but not exclusively through:
 - (i) the provision of recreational and leisure time activities provided in the interest of social welfare, designed to improve their conditions of life; and
 - (ii) providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals;
- (d) to act as a resource for young people up to the age of 25 years by providing advice and assistance and organising programmes of physical, educational and other activities as a means of:
 - (i) advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
 - (ii) advancing education;

- (iii) relieving unemployment; and
- (iv) providing recreational and leisure time activity in the interests of social welfare for people living in the area of benefit who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such persons;

(e) to assist in the treatment and care of persons suffering from mental or physical illness of any description or in need of rehabilitation as a result of such illness, by the provision of facilities for work and recreation and through the provision of financial assistance, support, education and practical advice;

(f) the relief and assistance of people in any part of the world who are the victims of war or natural disaster, trouble, or catastrophe; and

(g) such charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the Trustees may from time to time determine.

10. Risk management

The Trustees regularly discuss and review the key risks to the charity and identify mitigation strategies during their Trustee meetings. The Trustees are satisfied that the key risks to the organisation are mitigated during the current year. Below is a list of the principle risks or uncertainties that management and Trustees have identified, along with info on how the organisation is managing them:

Big Change recognises our key risks and mitigation actions as follows:

Risk	Mitigating action
1.1 - Financial: Macro-economic conditions (pandemic, war, recession) impact the organisation's ability to raise funds in the short and long-term.	• Adapting expenditure approach when necessary to maintain adequate reserves position. • Adjusting fundraising approach to seize opportunities as the situation evolves.
1.2 - Reputational: Big Change receives donations from a number of donors and there is a risk of receiving funds from inappropriate sources.	• Ensure that adequate due diligence is carried out on all potential big gift donors; • Maintain clear paper trails for all donations received.
1.3 - Charitable: Big Change grants funds to a number of different organisations and there is a risk that money is spent inappropriately.	• Management and Impact team to keep in regular contact with grantees; • Ensure that grantees are reporting back to Big Change per grant agreements.

The Trustees are satisfied that the key risks to the organisation are identified and that appropriate strategies are in place to manage them in the current year.

Statement on fundraising practice

The Trust does not use professional fundraisers or commercial participators to raise funds. The Trust nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations (2020: none) and codes and the Trust received no complaints (2020: none) relating to its fundraising practice.

11. Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees wish. During the year to 31 December 2020 the organisation adopted an Investment Policy (housed within Big Change's Treasury Management Policy) that, once ratified by the Trustees, was used to guide the investment of operational reserves with the organisation's nominated investment management firm. The policy includes general provisions, as well as the organisation's investment objectives, attitude towards risk, ethical investment priorities, and management reporting and approval processes. Additional financial details can be found in Note 11 of the annual accounts.

During the year to 31 December 2021 the charity's portfolio returned performance of 8.9% net of all fees, costs and charges. This contrasts with the return from the ARC PCI GBP Cautious index which returned 4.2%, again net of fees, costs, and charges. This shows we are ahead of the ARC index for the short term and are meeting the investment objective in the longer term to outperform the relevant index.

The downturn in global markets at the beginning of 2022 has impacted the charity's investments. At the end of July 2022, Big Change's investments have decreased in value by 11% since year end. However, at date of signing the total portfolio value, net of fees, costs, and charges, is greater than at inception, and the Trustees are confident in its further growth over the long-term.

12. Remuneration policy

The management team comprise the key management personnel of the charity, in charge of directing and controlling, running and operating the charity on a day to day basis. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. The charity benchmarks against pay levels in other similar organisations. All pay raises, as well as bonuses, are determined by the Board of Trustees after a formal end-of-year evaluation. Consensus must be reached before any pay rise or other form of compensation is awarded.

13. Statement of responsibilities of the Trustees

The Trustees (who are also directors of Big Change Charitable Trust for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

Big Change Charitable Trust

Trustees' annual report

For the year ended 31 December 2021

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' annual report has been approved by the Trustees on 29 July 2022 and signed on their behalf by:

P Nevin
Chair of Trustees

D Scott
Trustee

Independent auditor's report

To the members of

Big Change Charitable Trust

Opinion

We have audited the financial statements of Big Change Charitable Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2021 and of the group's 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent 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 Trust'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.

Independent auditor's report

To the members of

Big Change Charitable Trust

Other information

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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.

Independent auditor's report

To the members of

Big Change Charitable Trust

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent 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 group or the parent 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the board of trustees, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.

Independent auditor's report

To the members of

Big Change Charitable Trust

- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those 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 is available on the Financial Reporting Council's website at: 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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Noelia Serrano (Senior statutory auditor)

Date: 14 September 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Big Change Charitable Trust

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

		Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
	Note						
Income from:							
Donations and legacies	2	1,220,269	307,243	1,527,512	1,097,736	92,500	1,190,236
Other trading activities	3	601,749	–	601,749	–	–	–
Investments		28,760	–	28,760	8,802	–	8,802
Other incoming resources		20,963	–	20,963	–	–	–
Total income		1,871,741	307,243	2,178,984	1,106,538	92,500	1,199,038
Expenditure on:							
Raising funds							
Cost of fundraising		173,276	–	173,276	246,633	–	246,633
Costs of trading		514,256	–	514,256	3,083	–	3,083
Charitable activities							
Impact		544,911	136,656	681,567	866,621	92,500	959,121
Community		336,906	72,657	409,563	335,492	–	335,492
System		211,341	72,657	283,998	189,173	–	189,173
Total expenditure	4a	1,780,690	281,970	2,062,660	1,641,002	92,500	1,733,502
Net income/(expenditure) before net gains/(losses) on investments		91,051	25,273	116,324	(534,464)	–	(534,464)
Net gains on investments		89,399	–	89,399	30,225	–	30,225
Net income/(expenditure) for the year	6	180,450	25,273	205,723	(504,239)	–	(504,239)
Transfers between funds		30,500	(30,500)	–	–	–	–
Net movement in funds		210,950	(5,227)	205,723	(504,239)	–	(504,239)
Reconciliation of funds:							
Total funds brought forward		2,398,428	17,500	2,415,928	2,902,667	17,500	2,920,167
Total funds carried forward		2,609,378	12,273	2,621,651	2,398,428	17,500	2,415,928

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

Big Change Charitable Trust

Balance sheets

Company no. 07679479

As at 31 December 2021

	Note	The group 2021 £	2020 £	The charity 2021 £	2020 £
Fixed assets:					
Investments	11	1,103,212	768,280	1,103,213	768,281
		<u>1,103,212</u>	<u>768,280</u>	<u>1,103,213</u>	<u>768,281</u>
Current assets:					
Debtors	13	91,969	76,745	105,201	8,842
Short term cash deposit		1,083,415	1,318,298	1,083,415	1,318,298
Cash at bank and in hand		782,320	512,485	379,246	408,751
		<u>1,957,704</u>	<u>1,907,528</u>	<u>1,567,862</u>	<u>1,735,891</u>
Liabilities:					
Creditors: amounts falling due within one year	14	439,265	259,880	50,795	85,883
		<u>439,265</u>	<u>259,880</u>	<u>50,795</u>	<u>85,883</u>
Net current assets		<u>1,518,439</u>	<u>1,647,648</u>	<u>1,517,067</u>	<u>1,650,007</u>
Total net assets	16a	<u>2,621,651</u>	<u>2,415,928</u>	<u>2,620,280</u>	<u>2,418,289</u>
Funds:	17a				
Restricted income funds		12,273	17,500	12,273	17,500
Unrestricted income funds:					
General funds		2,474,007	2,281,206	2,474,007	2,281,205
Non-charitable trading funds		1,371	(2,362)	-	-
Designated funds		134,000	119,584	134,000	119,584
		<u>2,609,378</u>	<u>2,398,428</u>	<u>2,608,007</u>	<u>2,400,789</u>
Total unrestricted funds		<u>2,609,378</u>	<u>2,398,428</u>	<u>2,608,007</u>	<u>2,400,789</u>
Total funds		<u>2,621,651</u>	<u>2,415,928</u>	<u>2,620,280</u>	<u>2,418,289</u>

Approved by the Trustees on 29 July 2022 and signed on their behalf by

P Nevin
Chair of Trustees

D. Scott
Trustee

Big Change Charitable Trust

Consolidated statement of cash flows

For the year ended 31 December 2021

	Note	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		205,723		(504,239)	
(Gains) on investments	11	(89,399)		(30,225)	
Dividends, interest and rent from investments	11	(28,760)		(8,802)	
(Increase)/decrease in debtors	13	(15,223)		438,309	
Increase in creditors	14	179,385		212,211	
Net cash provided by operating activities			251,725		107,255
Cash flows from investing activities:					
Proceeds from sale of investments	11	213,120		219,551	
Purchase of investments	11	(393,605)		(280,862)	
Dividends, interest and rent from investments	11	28,760		8,802	
Movement within cash held by investment managers	11	(65,048)		64,328	
Decrease/(increase) in short term cash deposits		234,883		(420,323)	
Net cash provided by / (used in) investing activities			18,110		(408,504)
Change in cash and cash equivalents in the year			269,835		(301,250)
Cash and cash equivalents at the beginning of the year			512,485		813,735
Cash and cash equivalents at the end of the year			782,320		512,485

1 Accounting policies

a) Statutory information

Big Change Charitable Trust is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 7 Savoy Court, London, WC2R 0EX.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Big Change Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Board of Trustees are of the opinion that, despite the COVID-19 pandemic and its implications on short and long-term fundraising, Big Change Charitable Trust has adequate resources to continue in operational existence for the foreseeable future. The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. See Page 8 of Annual Report for further detail.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are defined as grant payments the charity is reasonably certain will be paid to grantees (as per the payment schedule) prior to the date of the signing of the accounts.

i) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose and also includes investment management costs.
- Expenditure on charitable activities includes the costs of grants made and staff time spent to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

1 Accounting policies (continued)

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities in line with the proportion of staff time dedicated to fundraising activities.

- | | |
|-------------------------|-----|
| ● Fundraising | 20% |
| ● Charitable activities | 80% |

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £3,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

m) Investments in subsidiaries

Investments in subsidiaries are at cost.

Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Debtors

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

o) Cash at bank and in hand

Cash at bank and cash 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.

p) Creditors and provisions

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

q) 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.

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2021

2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Donated services	144,799	–	144,799	162,566	–	162,566
Charitable Donations	1,075,470	307,243	1,382,713	935,170	92,500	1,027,670
	<u>1,220,269</u>	<u>307,243</u>	<u>1,527,512</u>	<u>1,097,736</u>	<u>92,500</u>	<u>1,190,236</u>

The donated goods and services consisted of (1) office space, IT support and professional services such as finance and taxation advice provided by Virgin Management Limited throughout the period; (2) pro bono legal support provided by Arnold and Porter Kaye Scholer LLP via Thomson Reuters' Trust Law service.

3 Income from other trading activities

	2021 Total £	2020 Total £
Entry Fees (events inc. STRIVE)	601,749	–
	<u>601,749</u>	<u>–</u>

All income from other trading activities is unrestricted.

4a Analysis of expenditure (current year)

		Charitable activities							
	Cost of raising funds £	Impact £	Community £	System £	Governance costs £	Support costs £	2021 Total £	2020 Total £	
Staff costs (Note 7)	77,139	163,682	174,511	62,747	48,474	58,333	584,886	603,248	
Events – Cost of trading	514,256	–	–	–	–	–	514,256	3,083	
Marketing	10,388	3,116	3,116	3,116	–	1,039	20,775	4,777	
Research and Content	–	127,272	127,272	127,272	–	–	381,816	199,353	
Office and Premises costs	–	–	–	–	–	124,535	124,535	128,129	
General Expenses	586	–	–	–	–	87,653	88,239	36,352	
Legal and Professional	–	–	13,801	–	20,702	–	34,503	53,811	
Investment Management Fees	16,140	–	–	–	–	–	16,140	11,819	
Tax payable by subsidiaries	876	–	–	–	–	–	876	(876)	
Grants awarded (note 5)	–	296,634	–	–	–	–	296,634	693,806	
	619,385	590,704	318,700	193,135	69,176	271,560	2,062,660	1,733,502	
Support costs	54,312	72,416	72,416	72,416	–	(271,560)	–		
Governance costs	13,835	18,447	18,447	18,447	(69,176)	–	–	–	
Total expenditure 2021	687,532	681,567	409,563	283,998	–	–	2,062,660		
Total expenditure 2020	249,716	959,121	335,492	189,173	–	–		1,733,502	

4b Analysis of expenditure (prior year)

	Cost of raising funds £	Charitable activities			Governance costs £	Support costs £	2020 Total £
		Impact £	Community £	System £			
Staff costs (Note 7)	77,205	146,243	196,080	70,101	47,436	66,183	603,248
Events – Cost of trading	3,083	–	–	–	–	–	3,083
Marketing	2,387	717	717	717	–	239	4,777
Research and Content	–	66,451	66,451	66,451	–	–	199,353
Office and Premises costs	–	–	–	–	–	128,129	128,129
General Expenses	381	–	–	–	–	35,971	36,352
Legal and Professional	–	–	–	–	–	2,958	2,958
Investment Management Fees	11,819	–	–	–	–	–	11,819
Legal and Professional	–	–	20,340	–	30,513	–	50,853
Tax payable by subsidiaries	(876)	–	–	–	–	–	(876)
Grants awarded (note 5)	–	693,806	–	–	–	–	693,806
	93,999	907,217	283,588	137,269	77,949	233,480	1,733,502
Support costs	116,741	38,913	38,913	38,913	–	(233,480)	–
Governance costs	38,976	12,991	12,991	12,991	(77,949)	–	–
Total expenditure 2020	249,716	959,121	335,492	189,173	–	–	1,733,502

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2021

5 Grant making

	2021 £	2020 £
BeeWell Manchester (via the University of Manchester)	10,000	-
Big Leadership Adventure (via Big Education Trust)	-	56,823
Centre for Place Based Transformation via Right to Succeed	19,334	38,666
Children's University Trust	19,000	-
Communicolour (formally ICE, via Wellspring Academy Trust)	-	30,000
Cymbrogi Futures	21,000	-
EasyPeasy via Character Counts	-	54,417
Education Exchange via The Chartered College of Teaching	-	95,000
Foundation for Education Development	5,000	-
HeadsUp via InspirEDucate	-	24,900
ImpactEd Limited	30,000	60,000
Institute for Public Policy Research	-	2,500
Joined Up (via Reach Foundation)	20,000	-
Learning from Lockdown (via Big Education Trust)	-	25,000
Lighthouse (via Catch-22 Charity Ltd.)	77,000	35,000
No Limits (via Gesher Trust)	25,000	-
Parent Ping (via Education Intelligence)	2,800	40,000
Rekindle School (via Northern Soul Consultancy)	30,000	27,000
SHiFT UK (formerly Whatever it Takes)	12,500	17,500
The Difference	-	91,500
The Relationships Foundation	-	28,000
Tranquilliti	25,000	50,000
Voice 21 via School 21 Foundation	-	17,500
Total	296,634	693,806

	2021 £	2,020 £
Reconciliation of movements in grant creditors		
Brought forward grant creditor	27,500	-
Add: Grants awarded in the year	296,634	693,806
Less: Grants paid in the year	(299,134)	(666,306)
Carried forward grant creditor (note 14)	25,000	27,500

6 Net incoming/(outgoing) resources for the year

This is stated after charging:

	2021 £	2,020 £
Trustees' indemnity insurance	586	381
Auditor's remuneration (excluding VAT):		
Audit	7,000	6,700
Audit – under accrual from prior year	-	840

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	507,573	520,556
Social security costs	54,630	59,071
Pension contributions	22,683	23,621
	584,886	603,248

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£60,000 – £69,999	–	1
£70,000 – £79,999	1	1
£80,000 – £89,999	2	2

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £285,843 (2020: £293,776).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £nil) incurred by 0 (2020: 0) members relating to attendance at meetings of the trustees.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Cost of Raising funds	2.0	2.0
Impact	1.0	1.0
Community	2.0	2.0
System	2.0	2.0
Governance and Support	2.0	2.0
Kickstart	1.3	–
	10.3	9.0

9 Related party transactions

During the year legal fees of £1,052 (Trust; 2020 £nil) and £685 (Trading; 2020 £nil) were paid to Harbottle and Lewis LLP in respect of legal services provided to the charity in connection with secretarial duties. David Scott is a trustee of the charity and a partner in Harbottle and Lewis LLP. Harbottle and Lewis LLP do not charge for the time David spends providing services as a trustee. At 31 December 2021 there were no amounts outstanding between the charity and Harbottle and Lewis LLP.

Virgin Management Limited have provided the charity with office space including administrative services at no cost. This has been recognised as a donated service both within income and expenditure, valued at £138,580 (2020: £128,129). During the year H. Branson and H. Gordon (resigned 14 February 2022) were trustees of Big Change and employed by Virgin Management Limited.

Virgin Unite has provided the charity with an unrestricted grant of £230,000 (2020: £230,000) to cover the core costs of the charity. H. Branson is a trustee of Big Change and is Chairperson of Virgin Unite.

During the course of the year there were no donations made to Big Change by its trustees (2020: total £7,585)

A total of £394,561 was paid to Virgin Limited Edition (VLE) for exclusive use of Necker Island during the annual Strive event. This was inclusive of a 25% discount, and paid via the Trading account. VLE is a subsidiary of Virgin Management Limited and the balance outstanding from Big Change Trading Limited to VLE at the balance sheet date was £181,226.

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

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Big Change Trading Limited distributes available profits under gift aid to the parent charity. Its charge to corporation tax in the year was:

	2021 £	2019 £
Profit/(Loss) on ordinary activities before taxation	76,081	(4,608)
UK corporation tax at 19%	14,455	(876)
Effects of:		
Adjustments in respect of prior year	-	-
Income not taxable	(13,579)	-
Total tax charge	876	(876)
Tax on results on ordinary activities	876	(876)

Recognised deferred tax assets and liabilities

Deferred tax (assets) and liabilities are attributable to the following:

	2021 £	2021 £
Losses	-	(876)
	-	(876)
Deferred Tax (Asset)/Liability		2021 £
As at 1 January 2021		(876)
Income statement charge/(credit)		876
As at 31 December 2021		-

11 Investments

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Fair value at the start of the year	768,280	741,072	768,281	741,073
Additions at cost	393,605	280,862	393,605	280,862
Disposal proceeds	(213,120)	(219,551)	(213,120)	(219,551)
Net gain on change in fair value	89,399	30,225	89,399	30,225
Movement within cash held by investment managers	65,048	(64,328)	65,048	(64,328)
Fair value at the end of the year	1,103,212	768,280	1,103,213	768,281

Investments comprise:

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Unlisted shares in UK registered companies	–	–	1	1
Cash	71,747	6,699	71,747	6,699
Listed investments	1,031,465	761,581	1,031,465	761,581
	1,103,212	768,280	1,103,213	768,281

12 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Big Change Trading Limited, a company registered in England (company number 07998643). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2021 £	2020 £
Turnover	601,749	–
Cost of Sales	(525,668)	(4,608)
Profit/(loss) on ordinary activities before taxation	76,081	(4,608)
Taxation	(876)	876
Profit/(loss) for the financial year	75,205	(3,732)
Retained earnings		
Retained earnings brought forward	(2,362)	1,370
Profit for the financial year	75,205	(3,732)
Distribution under gift aid to parent undertaking	(71,473)	–
Retained earnings carried forward	1,370	(2,362)
The aggregate of the assets, liabilities and funds was:		
Assets	476,206	174,637
Liabilities	(474,835)	(176,998)
Capital and retained earnings	1,371	(2,361)

Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £	2020 £
Gross income	1,663,600	1,190,236
Result for the year	201,991	(505,114)

13 Debtors

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	–	5,500	–	5,500
Prepayments and Other debtors	91,969	70,028	18,837	–
Accrued income	–	341	–	341
Amounts owed by Subsidiary	–	–	86,364	3,001
Deferred tax asset	–	876	–	–
	91,969	76,745	105,201	8,842

14 Creditors: amounts falling due within one year

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	258,830	6,343	2,360	6,257
Grant Creditors (note 5)	25,000	27,500	25,000	27,500
Accruals	23,435	11,126	23,435	11,126
Deferred income (note 15)	132,000	214,911	-	41,000
	439,265	259,880	50,795	85,883

15 Deferred income

	The group		The charity	
	2021	2020	2021	2020
	£	£	£	£
Balance at the beginning of the year	214,911	-	41,000	-
Amount released to income in the year	(82,911)	-	(41,000)	-
Amount deferred in the year	-	214,911	-	41,000
Balance at the end of the year	132,000	214,911	-	41,000

Deferred income is comprised of event entry fees that have been ported over to the next financial year when the events will take place and then be counted as income.

16a Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Fixed asset investments	1,103,212	-	-	1,103,212
Net current assets	1,372,166	134,000	12,273	1,518,439
Net assets at 31 December 2021	2,475,378	134,000	12,273	2,621,651

16b Analysis of group net assets between funds (prior year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Fixed asset investments	768,280	-	-	768,280
Net current assets	1,510,564	119,584	17,500	1,647,648
Net assets at 31 December 2020	2,278,844	119,584	17,500	2,415,928

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2021

17a Movements in funds (current year)

	At 1 January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2021 £
Restricted Funds	17,500	307,243	(281,970)	(30,500)	12,273
General funds	2,278,844	1,961,140	(1,548,056)	(216,550)	2,475,378
Designated funds	119,584	–	(232,634)	247,050	134,000
Total funds	2,415,928	2,268,383	(2,062,660)	–	2,621,651

The narrative to explain the purpose of each fund is given at the foot of the note below.

Restricted funds: in 2021 Big Change received eleven separate donations from eight donors totalling £293,000 that were restricted to specific projects. £25,500 of the total was allocated to the Tranquility project, £25,000 to Shift UK, £25,000 to Children's University Trust, £7,500 to the Rekindle project, £14,243 to the Global Network project, and £210,000 to the Co-mission project from 5 separate donors.

The transfers shown include a total of £30,500 of expenditure transferred from designated to restricted funds. This represents expenditure on specific projects classified as designated expenditure in prior years, now reclassified as restricted expenditure within the same project.

Designated funds are described in the Note 1h.

17b Movements in funds (prior year)

	At 1 January 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2020 £
Restricted Funds	17,500	92,500	(92,500)	–	17,500
General funds	2,419,600	1,136,763	(947,196)	(330,323)	2,278,844
Designated funds	483,067	–	(693,806)	330,323	119,584
Total funds	2,920,167	1,229,263	(1,733,502)	–	2,415,928

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

BIG CHANGE CHARITABLE TRUST

England & Wales - Charity number 1145224

Accounts

Company number: 07679479

Charity number: 1145224

Big Change Charitable Trust

Report and financial statements

For the year ended 31 December 2020

Contents

For the year ended 31 December 2020

Reference and administrative information	1
Trustees' annual report	2
Independent auditor's report	19
Consolidated statement of financial activities	24
Balance sheets	25
Statement of cash flows	26
Notes to the financial statements	27

Big Change Charitable Trust

Reference and administrative information

For the year ended 31 December 2020

Company number 07679479 – incorporated in the United Kingdom

Charity number 1145224 – registered in England and Wales

Registered office 7 Savoy Court
London
WC2R 0EX

Operational address The Battleship Building
179 Harrow Road
London
W2 6NB

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

P. Nevin	Chair
H. K. T. Branson	
D. Gannon	(Resigned 16 December 2020)
B. J. Hay	
R. Perry	(Resigned 16 December 2020)
S. Richardson	(Resigned 16 December 2020)
D. Scott	
B. York	
Hayley Gordon	(Appointed 1 January 2021)

Key management personnel	Vanessa North	Chief Executive Officer
	Noah Devereux	Managing Director
	Noah Bernstein	Chief Operating Officer

Bankers Barclays Bank
Leicester
LE87 2BB

Solicitors Harbottle and Lewis LLP
7 Savoy Court, London
WC2R 0EX

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House, 108–114 Golden Lane
London
EC1Y 0TL

Trustees' annual report

For the year ended 31 December 2020

The Trustees present their report and the audited financial statements for the year ended 31 December 2020.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

1. Chair's Report

Big Change was founded in 2012 to think differently about how charity can be a catalyst for positive long-term change for young people. Since then, we've become a small but disruptive force for change, and have developed a tried and tested model for our role as a catalyst. 2020 saw the organisation move forward in its three areas of focus, despite the disruption caused by the COVID pandemic:

- 1) Back the pioneers who are leading bold approaches at the frontline of change: In light of the crisis we adapted our project support and funding to ensure we responded quickly to emergent needs of young people, parents, teachers and communities impacted by COVID.

In May, we launched *the Emergent Needs Fund* which allocated £397k to 12 pioneering projects that had a clear opportunity for impact in the moment, while laying foundations for longer term system change. The results have been promising, with projects like Big Education, Parent Ping, Tranquiliti, and HeadsUp all showing early signs of impact.

In parallel, we worked closely with all of our existing project partners to support them to adapt and navigate the crisis.

- 2) Unite a community of supporters to direct funds and energy to the areas of greatest impact: After substantially reorienting our 2020 income strategy due to the COVID crisis, we raised £1m in charitable funds, including £100k through virtual fundraising events. 2020 also saw (a) the launch of the Big Change Supporter Circle, our first ever community-led collective of monthly donors supporting Big Change projects via the Impact Fund, and (b) the evolution of our Next Gen community offer in partnership with the Horizons network, formally launched in early 2021.

We continued to engage and expand our community in new ways, including an invitation-only Zoom Q&A series showcasing our project partners and their work, our first-ever virtual Strive challenge event, and a virtual 'think-in' to share learnings from around the world.

- 3) Activate diverse allies as a force for long term system change: After publishing our 10 hopes for change ([#hopes4ed](#)), we worked with partners to scope the big idea under hope No.1 – launching a ground-breaking Commission on the Future of Education & Learning in England to drive a new public conversation about education. The remainder of 2020 was focused on laying the foundations for the commission through research and insight gathering to help identify a big question/focus that captures the zeitgeist, and building support in the form of funding and partnerships, with a view to launching Phase 1 in Spring 2021.

In parallel, we worked in partnership with the City of London and IPPR to publish the research report *“The ‘new normal’: The future of education after Covid-19”*, released in October. The report highlights three areas where the pandemic has the potential to open up new conversations about the future of schooling and highlighted a number of policy asks of government; it was covered by BBC News and over 180 online news sources.

At the global level, one of the highlights of the year was the September launch of the global insight series, #NewEducationStory, which brought together diverse thinkers and leaders to discuss the possibilities of this period of global disruption to trigger big change in education. The campaign featured Holly Branson, Adam Grant, George the Poet, Simon Sinek and 19 others, and showed record engagement rates (14.5 million people globally).

Like many charities, Big Change's finances took a big hit in 2020 with income down 39% from 2019. However, thanks to some creative (virtual) fundraising, the team managed to exceed their reforecast income target and narrow the annual deficit to £535k. While cost cutting will persist into 2021 as a hedge against economic uncertainty, the team have set themselves up well for 2021 and are cautiously optimistic that fundraising will return to pre-Covid levels by the end of next year.

For the coming year, our strategy is centred around three areas of work, with a focus on building on our solid foundations and proven model to increasingly work with partners to amplify our potential to catalyse big change:

1. **Projects** – continuing to back pioneers with insight-led solutions for long term change. To ensure we find and back the highest potential projects we are focusing on shifting to increasingly proactive scoping and outreach, more regular project allocation and developing an updated impact model for systemic change.
2. **Community** – in addition to our traditional event-based fundraising we will be building on our proven model and track record to work with a broader network of donors, foundations and organisations to partner and unlock greater funds to support the pioneers at the forefront of change.
3. **System change** – building on our work to date and growing network of cross-sector system change leaders we will be working with allies to act as a catalyst to change the conversation and priorities at both the grasstops (policy and system influencers) and grassroots.

2021 will undoubtedly present challenges for the organisation and the sector as a whole. However, we feel positive that we can meet these challenges, using the post-Covid environment as an opportunity to advance thinking and action on educational system change, ensuring that every young person can thrive in a world of constant change.

Philip Nevin (Chair)

5 July 2021

2. About Big Change

We want to see a society working together so that every young person is set up to thrive in life.

By 2030 we aim to:

1. **Show a new way is possible:** Pioneering approaches to supporting young people have become the new normal, and the learning experience of every child, no matter what their background or circumstance, sets them up with the agency and opportunity to thrive.
2. **Make education everyone's business:** All parts of society, including parents and employers, are actively involved in supporting young people and schools to thrive as part of learning ecosystems
3. **Create a new common sense:** Wider society has accepted a new and expanded purpose for education, and key parts of the system have changed to support it.

We act as a catalyst for this change by:

- Backing the pioneers who are leading bold approaches at the frontline of change;
- Uniting a community of supporters to direct funds and energy to the areas of greatest impact;
- Working with cross-sector allies to catalyse system change.

Our model and approach to achieve this consists of three distinct but interlinked pillars – Insight, Action, and Support:

1. Insight: We listen and learn with and from all parts of the system to understand what is needed to support reimagining education over the long-term.
2. Action: We target our support to the most critical opportunity areas by finding and backing the leaders with big vision to help them prove a new way is both possible and powerful.
3. Support: We activate a network of people and organisations who power this change through individual effort and collective action.

For more information please see big-change.org, our [10 Hopes for Change](#) or our [Change is Happening](#) impact review.

3. Our Projects

Big Change will only happen if we do things differently, which is why we fund in the areas where there is critical need, we have a unique opportunity to add value and that, if changed, could have a broader systemic impact.

2021 will be an exciting year for project work as we look to expand our system-level initiatives in the form of a [Big Education Conversation](#), a national campaign to get people talking about what education is really for and how it should change for the future. We'll also fund and support another

Trustees' annual report

For the year ended 31 December 2020

cohort of inspiring early stage projects who are looking to transform the way young people are supported. Finally, we'll hold both virtual and, hopefully, in-person events to convene and catalyse our incredible group of supporters and Strivers.

When considering projects, we are particularly interested in the following key criteria:

1. Does the applicant have a bold ambition for system change, with the potential to significantly impact on the broader sector? What is the unique and disruptive insight that can really change the way things are done?
2. Does the idea focus on positive growth: would the project clearly support young people to unlock their potential, and make a real difference?
3. Does the proposal demonstrate that there is a clear and compelling need? Is there a clear benefit to the education/youth development sector in the UK, and would the project have support from sector experts and other practitioners?
4. Do the team have passionate leadership: are the right people in place with the expertise and experience to fulfil their big ambition?
5. Is the project a good fit for Big Change: can we add significant value to the project?

With the above in mind, we launched our 2020 grant allocation process, with up to £450,000 in available funding for aligned project partners. In light of the crisis, our definition of alignment in 2020 was slightly different than in previous years: our focus was on projects that had a clear opportunity for impact in the moment, while laying foundations for longer term system change through:

- Supporting educators to learn, grow and try things differently together;
- Making sure the most vulnerable have the trusted relationships required for them to thrive;
- Making sure that traditionally marginalised groups of young people and parents have their experiences reflected in decision making
- Gather evidence that a new way is possible to shape the 'next normal'

Whilst the grant application process was open to all, we also solicited applications from a number of people and organisations who were part of our pipeline development. Each submitted an expression of interest and, if successful, a subsequent detailed proposal was assessed, both internally and by an invited Impact Council of sector experts and Trustees (see Section 5, Grant Making Policy).

Of the £450k available, £429k was allocated to twelve projects over a period of two years. Of this amount, £397k was disbursed in 2020, with the remainder (£32k) designated for 2021.

An additional £297k was disbursed in 2020 to partners from the 2018 and 2019 project cohorts.

Trustees' annual report

For the year ended 31 December 2020

This brings the total of funds distributed to Big Change project partners in 2020 to £694k (£397k to 2020 project partners, the remaining £297k to previous cohorts).

Details of all funded projects as follows:

Emergent Needs Fund

TRANQUILITI

(£50,00 awarded in 2020)

Tranquiliti is a new, digital service that looks to place the voice of every young person at the heart of their school. Central to their service is a question-set which asks young people about their wellbeing, mental health, and experiences at school. They support tailored early intervention and positive culture change in schools, as well as more effective signposting for young people onto the support they need most.

In 2020, Big Change supported the staff costs to scope and build the Tranquiliti service.

LEARNING FROM LOCKDOWN (via Big Education Trust)

(£25,000 awarded in 2020)

Learning from Lockdown tries to answer the question, what can we learn from lockdown that will improve education when schools return? Their blog, and accompanying playbooks and toolkits for educators, helped curate some of these ideas and insights, so that this extraordinary forced experiment genuinely has lasting legacy and real benefit.

Big Change funded staff and leadership/management salaries for the launch and implementation of Learning from Lockdown.

EASYPEASY (via Character Counts)

(£30,000 awarded in 2020)

Big Change provided flexible support for EasyPeasy's advocacy work, to work toward the goal of increasing resource for and attention early intervention. The support was ringfenced to the following categories of activity: awareness building, lobbying and campaigning, and coalition building.

This support enabled the EasyPeasy team to unite their network of public, private and third sector partnerships to explore revitalising the First 1001 Days campaign. This influenced the outcome of a spending review, persuading the government to implement a recommendation from the Health and Social Care Committee's First 1001 Days of Life report (a shift in public expenditure towards intervening earlier rather than later).

PARENT PING (via Education Intelligence)

(£40,000 awarded in 2020)

Parent Ping is a daily survey app that helps parents learn how other parents are dealing with life by sharing experiences, gathering and sharing data on what's happening, and to meld together education and parent data in a way that has never been done before.

In 2020, Big Change funded developer days, server costs, social media costs, input/research questions for build and the launch of the Parent Ping platform.

IMPACTED LIMITED

(£15,000 awarded in 2020)

ImpactEd is developing England first teacher-led evidence and action-research platform to help teachers and school leaders identify what is working best in their context and on more than grades alone.

In 2020, we funded ImpactEd to perform student-focused research on the effects COVID and lockdown had on pupil wellbeing.

HEADS UP (via InspirEDucate)

(£24,900 awarded in 2020)

InspirEDucate is a network of diverse Head Teachers across the country who are supported, and support each other, to adopt new approaches and mindsets to try in their schools. InspirEDucate seeks to create and support a network of school and trust leaders who seek and gain support from each other, especially where they are operating in challenging contexts that do not encourage thinking outside of the box.

In 2020, Big Change funded 6 months of staff time to codify and expand offer to head teachers.

CENTRE FOR PLACE BASED TRANSFORMATION (via Right to Succeed)

(£38,666 awarded in 2020)

Right to Succeed is a youth organization that exists to equip every child with the skills, wellbeing and access to opportunity to thrive from childhood to adulthood.

Big Change supported the staff costs associated with setting up the Centre for Place Based Transformation, a new approach to place-based community projects, demonstrating the power and value of place based change and local learning ecosystems through both targeted, locally-led pilots and unlocking political will and funding at a government level to adopt an approach the place-based work that blends private, public and philanthropic involvement.

SHiFT UK (formerly Whatever it Takes)

(£17,500 awarded in 2020)

SHiFT exists to break the destructive cycle of offending behaviours in children enabling them to enjoy lives of choice and opportunity. SHiFT's model offers a radical blueprint for challenging the way services are designed and delivered that will produce dramatically improved outcomes at significantly lower costs.

Big Change funded the activities that will generate the impact, evidence and learning that would help SHiFT's approach scale across the sector.

COMMUNICOLOUR (formerly ICE, via the Wellspring Academy Trust)

(£30,000 awarded in 2020)

Communicolour will provide a pathway direct from school into post-16 skills and work-based training to foster cohorts of creatives, entrepreneurs and tradespeople who will attract prosperity to their communities while also adding tangible value to the community and built environment; contributing to the world around them while gaining the skills, attitudes, experiences and dispositions they need to secure their own long-term prospects as economically active, contributing citizens.

In 2020, Big Change funded the salary of a Program Director to get the program up and running.

EDUCATION EXCHANGE (via the Chartered College of Teaching)

(£95,000 awarded in 2020)

The Education Exchange is an innovative, one-stop digital hub to support teachers in a changing world, free for all teachers internationally to sign up to and use, providing a trusted, independent, single place to go that provides up-to-date information, recognised professional learning, opportunities for discussion, collaboration and reflection, and signposting to the best resources available around the world.

In 2020, Big Change funded the staff time required to complete the build of the platform.

THE RELATIONSHIPS FOUNDATION

(£28,000 awarded in 2020)

The Relationships Foundation is the think tank for a better-connected society. It was set up 25 years ago to develop relational thinking and engage with policy makers. We believe that a good society is built on good relationships, from family and community to public service and business.

In 2020, we funded research to understand the experiences of parents, teachers and young people during lockdown.

INSTITUTE FOR PUBLIC POLICY RESEARCH (IPPR)

(£2,500 awarded in 2020)

IPPR, the UK's leading progressive thinktank, working in partnership with the City of London and Parentkind, published the research report *"The 'new normal': The future of education after Covid-19"*, released in October 2020. The report highlights three areas where the pandemic has the potential to open up new conversations about the future of schooling and highlighted a number of policy asks of government; it was covered by BBC News and over 180 online news sources.

2019 Cohort

LIGHTHOUSE (via Catch-22 Charity Ltd.)

(£35,000 awarded in 2020 from 2019 grant of £154,000)

Lighthouse will ensure that care leavers are viewed as an asset rather than a cost to society. They believe that residential care should be seen as an opportunity for the young person placed in it, not a failure, and aim to make a big change for children in care with a brand-new kind of children's home based on successful German and Danish methods of practice.

Big Change funded the full-time salaries of a Head of Influence and Impact and a Partnerships Manager for 2 years.

REKINDLE SCHOOL

(£27,000 awarded in 2020 from 2019 grant of £49,700)

Rekindle is a supplementary school for 13–16 year-olds in South Manchester, at risk of mainstream and school exclusion, those struggling with motivation at school, or whose families are struggling to provide support. It offers a wraparound programme of learning, support, mentoring, business engagement, topical masterclasses and career development.

Big Change has provided the seed funding to cover the core costs associated with setting up the program.

EASYPEASY (via Character Counts)

(£24,418 awarded in 2020 from 2019 grant of £48,835)

Big Change funded time for the CEO and Head of Partnerships to do external relations and advocacy work related to securing more provision for the Early Years sector as a whole.

IMPACTED LIMITED

(£45,000 awarded in 2020 from 2019 grant of £120,000)

Big Change funded the core salary costs associated with delivering across 3 workstreams: testing and experimentation, building a coalition, and sector learning and dissemination.

BIG LEADERSHIP ADVENTURE (via Big Education Trust)

(£56,823 awarded in 2020 from 2019 grant of £141,000)

The Big Leadership Adventure is a two year, deliberately different, leadership programme for leaders in schools and social enterprises, who are ready to think more expansively about the challenges faced in the education sector. They work to empower, enable and inspire the leadership required for a holistic education of the Head (academics), Heart (character and wellbeing) and Hand (creativity and making a difference).

Big Change funded staff costs associated with the delivery of the first 2 cohorts.

THE DIFFERENCE

(£91,500 awarded in 2020 from 2019 grant of £180,000)

The Difference creates a new generation of leaders able to deliver the best education to the most vulnerable children. The Difference Leaders program is a professional development and leadership route through the teaching profession to train exceptional teachers as mental health specialists.

Big Change funded the staff costs associated with implementing their new 3-year strategy focused on people, policy and practice.

2018 Cohort

ORACY NETWORK (via Voice 21)

(£17,500 awarded in 2020 from 2018 grant of £39,500)

In 2016 the English Speaking Union and Voice 21 launched the Oracy Network which seeks to raise the profile of oracy in schools across the UK.

Big Change funded the first ever oracy APPG – including the hire of a skilled project manager with extensive APPG experience.

4. Financial Review

Operating budget and grant making

We are grateful to Virgin Unite, Joann McPike and the Strive Catalyst Circle for supporting Big Change operating expenditure in 2020. Their grants covered the majority of operating expenditure, which totalled £647,335 (this includes staff costs, core costs, and other overheads but excludes grants, trading company costs, donations in kind, and direct charitable spend).

During the course of the year Big Change received in-kind donations amounting to £162,566 (2019: £192,415). The Trustees would like to thank Virgin Management Limited for providing donations in-kind of office space, IT support and professional services such as finance and taxation advice;

Trustees' annual report

For the year ended 31 December 2020

and Arnold & Porter Kaye Scholer LLP for providing extensive pro bono legal support via Thomson Reuters' Trust Law service.

During the year the cost of charitable activities was £1,483,786 (2019: £1,332,841). This includes direct grants to institutions and research totalling £893,159 (2019: £690,313) as highlighted in Section 3, Our Impact.

For the 12-month period ending 31 December 2020, costs exceeded income by £504,239 (2019: income exceeded costs by £336,258). Total income, including STRIVE events, was £1,199,038 (2019: £2,240,892) which comprised mainly charitable donations of £1,190,236 (2019: £1,866,197). Consolidated unrestricted reserves decreased during the period to £2,398,428 (2019: £2,902,667).

Going concern and reserves policy

The Board of Trustees are of the opinion that, despite the COVID-19 pandemic and its implications on short and long-term fundraising, Big Change Charitable Trust has adequate resources to continue in operational existence for the foreseeable future. The Board of Trustees have identified no material uncertainties that cast significant doubt about the Big Change Charitable Trust to continue as a going concern.

At 31 December 2020, the Trustees' reserves policy is that Big Change should retain in the form of either cash or contracted income, at all times, (a) at least 12 months of working capital based on predicted known operating costs, and (b) the total amount allocated to current project partners through grant agreements. The Trustees have judged this level as appropriate given Big Change's liabilities, assets, and staffing structure. It is also appropriate given our two-yearly fundraising cycle.

At the end of 2020, Big Change held £1,034,872 in reserves to account for £184,872 in designated project grants and £850,000 in projected operating costs. Our projected grant making over the next three years is accounted for separately in respect of our reserves policy and will be covered by income raised from our community of supporters.

5. Grant making policy

Trustees approve all grants at the Trustee meetings that take place throughout the year (one every quarter) and grant applications must be approved by all Trustees to be successful. In anticipation of these meetings, an initial assessment and due diligence is undertaken by key management and operational personnel prior to the preparation of an assessment report for consideration by the Trustees in advance of the meeting.

1. Initial application

Applicants submit an initial one-page grant proposal and if management team agree, ask proposers to submit an expanded grant proposal.

Trustees' annual report

For the year ended 31 December 2020

2. Due Diligence and Assessment Report

Management will identify the Applicant and whether it is appropriate for Big Change to be involved with this Applicant through:

- an assessment of compliance with applicable laws and regulations, track record, charitable status etc; and
- a review of information in the public domain (e.g. applicant's website, Companies House, Charity Commission website, online news sources) to check for any environmental, social, business integrity, reputational or legal controversy relating to the Applicant.

Management then:

- assesses whether the Applicant can deliver what it promises to;
- analyses the proposed investment/project and its potential impact, outline any concerns;
- identifies associated risks and mitigation options; and
- prepares a report containing all relevant information for consideration by the Trustees.

3. Grant decision

The assessment report is sent to Trustees for contemplation in advance of the meeting at which they are considering the grant applications. At the meeting, the Trustees analyse the grant based on all of the relevant elements of the report and, if appropriate, approve the grant during the meeting.

4. Monitoring after approval and payment of the grant, Big Change management:

- follows up with the applicant according to the agreed reporting schedule and flags up any issues, new risks or variations from the project plan;
- records and reports impact of the grant; and
- confirms funds have been used as intended.

6. Related party transactions

In all instances where Big Change is potentially involved in a related party transaction, Trustees ensure that we not only act in the best interests of the charity by checking costs against the market but where applicable, also ensuring that Big Change is not licensing rights for less than their market rate. Details of the related party transactions are in note 9 to the accounts.

All Trustees and Staff are required to declare any conflicts of interest on an ongoing basis. When a conflict of interest is discovered or brought to the attention of the Leadership Team (LT) it is added to the Conflict of Interest register and then forwarded to the Chair of the Big Change Board of Trustees for consideration. The Chair then consults with his fellow Trustees and provides guidance and/or a mitigation strategy to the LT.

7. Structure, governance & management

The organisation is a charitable company limited by guarantee, incorporated on 22 June 2011, and registered as a charity on 23 December 2011.

The organisation was established under a memorandum of association, as amended by special resolutions on 10 December 2011 and 21 December 2011, which established the objects and powers of the organisation and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. No Trustees were reimbursed for any expenses incurred during the year. The Board of Trustees meet at least three times a year and the Charity is empowered to delegate its powers to the Committees of Trustees.

Typically, the charity's senior management team is present at the meetings of the Board of Trustees and, when appropriate, the Chair of the Board of Trustees is in regular contact with senior management. Day-to-day decisions are made by senior management and where necessary referred to the Board of Trustees for approval.

8. The appointment and recruitment of Trustees

The Trustees are responsible for the recruitment of new Trustees, which they carry out in light of the existing balance of skills and experiences of the Board. Before their appointment, all new Trustees attend an induction programme in order for them to properly undertake and fulfil their responsibilities to the Charity. The induction process ensures new Trustees meet existing Trustees and members of the Senior Management team.

9. Objectives and activities

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Trust's objects are:

- a) the promotion of participation in healthy recreation in particular by the provision of facilities for the playing of sports;

Trustees' annual report

For the year ended 31 December 2020

- b) to assist in such ways as the charity Trustees think fit any charity whose aims include advancing education of persons under the age of 25 years by developing their mental, physical and moral capabilities through leisure time activities;
- c) to advance in life and help young people especially but not exclusively through:
 - i. the provision of recreational and leisure time activities provided in the interest of social welfare, designed to improve their conditions of life; and
 - ii. providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals;
- d) to act as a resource for young people up to the age of 25 years by providing advice and assistance and organising programmes of physical, educational and other activities as a means of:
 - i. advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
 - ii. advancing education;
 - iii. relieving unemployment; and
 - iv. providing recreational and leisure time activity in the interests of social welfare for people living in the area of benefit who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such persons;
- e) to assist in the treatment and care of persons suffering from mental or physical illness of any description or in need of rehabilitation as a result of such illness, by the provision of facilities for work and recreation and through the provision of financial assistance, support, education and practical advice;
- f) the relief and assistance of people in any part of the world who are the victims of war or natural disaster, trouble, or catastrophe; and
- g) such charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the Trustees may from time to time determine.

10. Risk management

The Trustees regularly discuss and review the key risks to the charity and identify mitigation strategies during their Trustee meetings. The Trustees are satisfied that the key risks to the organisation are mitigated during the current year. Below is a list of the principle risks or uncertainties that management and Trustees have identified, along with info on how the organisation is managing them:

Big Change recognises our key risks and mitigation actions as follows:

Risk	Mitigating action
1.1 – Financial: The Covid pandemic impacts the organisation's ability to raise funds in the short and long-term.	• Adapting expenditure approach to compensate for lost revenue; • Adjusting fundraising approach to seize opportunities presented by the crisis.
1.2 – Reputational: Big Change receives donations from a number of donors and there is a risk of receiving funds from inappropriate sources.	• Ensure that adequate due diligence is carried out on all potential big gift donors; • Maintain clear paper trails for all donations received.
1.3 – Charitable: Big Change grants funds to a number of different organisations and there is a risk that money is spent inappropriately	• Management team to keep in regular contact with grantees; • Ensure that grantees are reporting back to Big Change per grant agreements.

The Trustees are satisfied that the key risks to the organisation are identified and that appropriate strategies are in place to manage them in the current year.

Statement on fundraising practice

The Trust does not use professional fundraisers or commercial participators to raise funds. The Trust nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations (2019: none) and codes and the Trust received no complaints (2019: none) relating to its fundraising practice.

11. Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees wish. During the year to 31 December 2019 the organisation adopted an Investment Policy (housed within Big Change's Treasury Management Policy) that, once ratified by the Trustees, was used to guide the investment of operational reserves with the organisation's nominated investment management firm. The policy includes general provisions, as well as the organisation's investment objectives, attitude towards risk, ethical investment priorities, and management reporting and approval processes. Additional financial details can be found in Note 11 of the annual accounts.

During the year to 31 December 2020 the charity's portfolio returned performance of 3.6% net of all fees, costs and charges. This contrasts with the return from the ARC PCI GBP Cautious index which returned 4.2%, again net of fees, costs, and charges. This shows we are slightly behind the ARC index for the short term but are still meeting the investment objective in the longer term to outperform the relevant index.

Trustees' annual report

For the year ended 31 December 2020

The COVID-19 crisis, and resulting shock on global markets, has impacted the charity's investments. However, at date of signing the total portfolio value, net of fees, costs, and charges, is greater than at inception.

12. Remuneration policy

The management team comprise the key management personnel of the charity, in charge of directing and controlling, running and operating the charity on a day to day basis. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. The charity benchmarks against pay levels in other similar organisations. All pay raises, as well as bonuses, are determined by the Board of Trustees after a formal end-of-year evaluation. Consensus must be reached before any pay rise or other form of compensation is awarded.

13. Statement of responsibilities of the Trustees

The Trustees (who are also directors of Big Change Charitable Trust for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 operation

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Big Change Charitable Trust

Trustees' annual report

For the year ended 31 December 2020

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' annual report has been approved by the Trustees on 5 July 2021 and signed on their behalf by:

P Nevin
Chair of Trustees

D Scott
Trustee

Independent auditor's report

To the members of

Big Change Charitable Trust

Opinion

We have audited the financial statements of Big Change Charitable Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2020 and of the group's 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent 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 Trust'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.

Independent auditor's report

To the members of

Big Change Charitable Trust

Other Information

The other information comprises the information included in the trustees' annual report other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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 group 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 group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

Big Change Charitable Trust

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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 group's and the parent 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 group or the parent 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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the board of trustees, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

Independent auditor's report

To the members of

Big Change Charitable Trust

- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those 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 is available on the Financial Reporting Council's website at: 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 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Independent auditor's report

To the members of

Big Change Charitable Trust

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.

Noelia Serrano (Senior statutory auditor)

8 July 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Big Change Charitable Trust

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2020

	Note	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Income from:							
Donations and legacies	2	1,097,736	92,500	1,190,236	1,726,197	140,000	1,866,197
Other trading activities	3	–	–	–	363,394	–	363,394
Investments		8,802	–	8,802	11,301	–	11,301
Total income		1,106,538	92,500	1,199,038	2,100,892	140,000	2,240,892
Expenditure on:							
Raising funds							
Cost of fundraising		246,633	–	246,633	288,216	–	288,216
Costs of trading		3,083	–	3,083	348,239	–	348,239
Charitable activities							
Impact		866,621	92,500	959,121	638,934	122,500	761,434
Community		335,492	–	335,492	322,305	–	322,305
System		189,173	–	189,173	249,102	–	249,102
Total expenditure	4a	1,641,002	92,500	1,733,502	1,846,796	122,500	1,969,296
Net (expenditure)/income before net gains on investments		(534,464)	–	(534,464)	254,096	17,500	271,596
Net gains on investments		30,225	–	30,225	64,662	–	64,662
Net (expenditure)/income for the year	6	(504,239)	–	(504,239)	318,758	17,500	336,258
Net movement in funds		(504,239)	–	(504,239)	318,758	17,500	336,258
Reconciliation of funds:							
Total funds brought forward		2,902,667	17,500	2,920,167	2,583,909	–	2,583,909
Total funds carried forward		2,398,428	17,500	2,415,928	2,902,667	17,500	2,920,167

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

Big Change Charitable Trust

Balance sheets

Company no. 07679479

As at 31 December 2020

		The group		The charity	
	Note	2020 £	2019 £	2020 £	2019 £
Fixed assets:					
Investments	11	768,280	741,072	768,281	741,073
		768,280	741,072	768,281	741,073
Current assets:					
Debtors	13	76,745	515,054	8,842	523,933
Short term cash deposit		1,318,298	897,975	1,318,298	897,975
Cash at bank and in hand		512,485	813,735	408,751	775,259
		1,907,528	2,226,764	1,735,891	2,197,167
Liabilities:					
Creditors: amounts falling due within one year	14	259,880	47,669	85,883	19,444
Net current assets		1,647,648	2,179,095	1,650,007	2,177,723
Total net assets	16a	2,415,928	2,920,167	2,418,289	2,918,796
Funds:	17a				
Restricted income funds		17,500	17,500	17,500	17,500
Unrestricted income funds:					
General funds		2,278,844	2,419,600	2,281,205	2,418,229
Designated funds		119,584	483,067	119,584	483,067
Total unrestricted funds		2,398,428	2,902,667	2,400,789	2,901,296
Total funds		2,415,928	2,920,167	2,418,289	2,918,796

Approved by the Trustees on 5 July 2021 and signed on their behalf by

P Nevin
Chair of Trustees

D. Scott
Trustee

Big Change Charitable Trust

Consolidated statement of cash flows

For the year ended 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
Cash flows from operating activities					
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(504,239)		336,258	
(Gains) on investments	11	(30,225)		(64,662)	
Dividends, interest and rent from investments	11	(8,802)		(11,301)	
Decrease/(increase) in debtors	13	438,309		(365,791)	
Increase/(decrease) in creditors	14	212,211		(135,372)	
Net cash provided by / (used in) operating activities			107,255		(240,868)
Cash flows from investing activities:					
Proceeds from sale of investments	11	219,551		120,695	
Purchase of investments	11	(280,862)		(99,712)	
Dividends, interest and rent from investments	11	8,802		11,301	
Movement within cash held by investment managers	11	64,328		(20,066)	
Short term cash deposits		(420,323)		(897,975)	
Net cash (used in) investing activities			(408,504)		(885,757)
Change in cash and cash equivalents in the year			(301,250)		(1,126,625)
Cash and cash equivalents at the beginning of the year			813,735		1,940,360
Cash and cash equivalents at the end of the year			512,485		813,735

1 Accounting policies

a) Statutory information

Big Change Charitable Trust is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 7 Savoy Court, London, WC2R 0EX.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Big Change Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Board of Trustees are of the opinion that, despite the COVID-19 pandemic and its implications on short and long-term fundraising, Big Change Charitable Trust has adequate resources to continue in operational existence for the foreseeable future. The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. See Page 11 of Annual Report for further detail.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are defined as grant payments the charity is reasonably certain will be paid to grantees (as per the payment schedule) prior to the date of the signing of the accounts.

i) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose and also includes investment management costs.
- Expenditure on charitable activities includes the costs of grants made and staff time spent to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

1 Accounting policies (continued)

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- Fundraising 50%
- Charitable activities 50%

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £3,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

m) Investments in subsidiaries

Investments in subsidiaries are at cost.

Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading “Net gains/(losses) on investments” in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Debtors

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

o) Cash at bank and in hand

Cash at bank and cash 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.

p) Creditors and provisions

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

q) 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.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Donated services	162,566	–	162,566	192,415	–	192,415
Charitable Donations	935,170	92,500	1,027,670	1,533,782	140,000	1,673,782
	<u>1,097,736</u>	<u>92,500</u>	<u>1,190,236</u>	<u>1,726,197</u>	<u>140,000</u>	<u>1,866,197</u>

The donated goods and services consisted of (1) accountancy, taxation, legal support and free rent provided by Virgin Management Limited throughout the period; (2) pro bono legal services provided by Arnold and Porter Kaye Scholer LLP.

3 Income from other trading activities

	2020 Total £	2019 Total £
Sponsorship (events inc. STRIVE)	–	32,000
Entry Fees (events inc. STRIVE)	–	323,184
Other	–	8,210
	<u>–</u>	<u>363,394</u>

All income from other trading activities is unrestricted.

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2020

4a Analysis of expenditure (current year)

	Charitable activities						2020	2019
	Cost of raising funds £	Impact £	Community £	System £	Governance costs £	Support costs £	Total £	Total £
Staff costs (Note 7)	77,205	146,243	196,080	70,101	47,436	66,183	603,248	518,872
Events – Cost of trading	3,083	–	–	–	–	–	3,083	348,239
Marketing	2,387	717	717	717	–	239	4,777	53,252
Research and Content	–	66,451	66,451	66,451	–	–	199,353	228,987
Office and Premises costs	–	–	–	–	–	128,129	128,129	154,365
General Expenses	381	–	–	–	–	35,971	36,352	59,889
Staff travel and entertainment	–	–	–	–	–	–	–	11,700
Office & Premises costs	–	–	–	–	–	–	–	40,653
Legal and Professional	–	–	–	–	–	2,958	2,958	25,105
Investment Management Fees	11,819	–	–	–	–	–	11,819	12,217
Legal and Professional	–	–	20,340	–	30,513	–	50,853	56,060
Tax payable by subsidiaries	(876)	–	–	–	–	–	(876)	(1,370)
Grants awarded (note 5)	–	693,806	–	–	–	–	693,806	461,326
	93,999	907,217	283,588	137,269	77,949	233,480	1,733,502	1,969,296
Support costs	116,741	38,913	38,913	38,913	–	(233,480)	–	–
Governance costs	38,976	12,991	12,991	12,991	(77,949)	–	–	–
Total expenditure 2020	249,716	959,121	335,492	189,173	–	–	1,733,502	
Total expenditure 2019	636,455	761,434	322,305	249,102	–	–		1,969,296

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2020

4b Analysis of expenditure (prior year)

	Charitable activities				Governance costs	Support costs	2019 Total
	Cost of raising funds £	Impact £	Community £	System £	£	£	£
Staff costs (Note 7)	49,298	147,882	147,655	66,026	39,067	68,944	518,872
Events – Cost of trading	348,239	–	–	–	–	–	348,239
Marketing	–	–	–	–	–	53,252	53,252
Research and Content	–	76,329	76,329	76,329	–	–	228,987
Office and Premises costs	–	–	–	–	–	154,365	154,365
General Expenses	–	–	–	–	–	59,509	59,509
Fundraising	–	–	–	–	–	11,700	11,700
Insights and Activation Support	–	–	–	30,850	–	9,803	40,653
Staff travel and entertainment	–	–	–	–	–	25,105	25,105
Investment Management Fees	12,217	–	–	–	–	–	12,217
Legal and Professional	–	–	22,424	–	33,636	–	56,060
Grants awarded (note 5)	–	461,326	–	–	–	–	461,326
Tax payable by subsidiaries	(1,370)	–	–	–	–	–	(1,370)
Trustee Insurance	381	–	–	–	–	–	381
	408,765	685,537	246,408	173,205	72,703	382,678	1,969,296
Support costs	191,338	63,780	63,780	63,780	–	(382,678)	–
Governance costs	36,352	12,117	12,117	12,117	(72,703)	–	–
Total expenditure 2020	636,455	761,434	322,305	249,102	–	–	1,969,296

5 Grant making (current year)

	2020 £	2019 £
Voice 21 via School 21 Foundation	17,500	–
Institute For Public Policy Research	2,500	–
Parent Ping via Education Intelligence	40,000	–
SHiFT UK (formerly Whatever it Takes)	17,500	–
The Relationships Foundation	28,000	–
The Difference	91,500	113,500
Education Exchange via The Chartered College Of Teaching	95,000	–
Tranquiliti	50,000	–
Communicolour (formerly ICE, via Wellspring Academy Trust)	30,000	–
The Communication Trust via I Can Charity	–	29,608
Centre for Place Based Transformation via Right to Succeed	38,666	–
EasyPeasy via Character Counts	54,418	24,418
HeadsUp via InspirEDucate	24,900	–
Big Education Conversation via Whole Education	–	100,000
ImpactEd Limited	60,000	45,000
Rekindle School (via Northern Soul Consultancy)	27,000	22,700
Lighthouse (via Catch-22 Charity Ltd.)	35,000	42,000
Big Leadership Adventure (via Big Education Trust)	56,823	–
Learning from Lockdown (via Big Education Trust)	25,000	84,100
Total	693,806	461,326

Reconciliation of movements in grant creditors

	2020 £	2019 £
Brought forward grant creditor	–	87,796
Add: Grants awarded in the year	693,806	461,326
Less: Grants paid in the year	(666,306)	(549,122)
Carried forward grant creditor (note 14)	27,500	–

6 Net (outgoing) / incoming resources for the year

This is stated after charging:

	2020 £	2019 £
Trustees' indemnity insurance	381	381
Auditor's remuneration (excluding VAT):		
Audit	6,700	6,700
Audit – under accrual from prior year	840	2,490

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	520,556	449,076
Social security costs	59,071	50,586
Pension contributions	23,621	19,210
	603,248	518,872

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2020 No.	2019 No.
£60,000 – £69,999	1	–
£70,000 – £79,999	1	2
£80,000 – £89,999	2	–
£90,000 – £99,999	–	1

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £103,772 (2019: £108,473).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2019: £296) incurred by 0 (2019: 2) members relating to attendance at meetings of the trustees.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2020 No.	2019 No.
Cost of Raising funds	2.0	2.0
Impact	1.0	1.0
Community	2.0	2.0
System	2.0	1.5
Governance and Support	2.0	2.0
	9.0	8.5

9 Related party transactions

During the year legal fees of £nil (Trust; 2019 £2,174) and £nil (Trading; 2019 £939) were paid to Harbottle and Lewis LLP in respect of legal services provided to the charity in connection with secretarial duties. David Scott is a trustee of the charity and a partner in Harbottle and Lewis LLP. Harbottle and Lewis LLP do not charge for the time David spends providing services as a trustee. At 31 December 2020 there were no amounts outstanding between the charity and Harbottle and Lewis LLP.

Virgin Management Limited have provided the charity with office space including administrative services at no cost. This has been recognised as a donated service both within income and expenditure, valued at £128,129 (2019: £154,365). During the year H. Branson and D. Gannon (resigned 16 December 2020) were trustees of Big Change and employed by Virgin Management Limited.

Virgin Unite has provided the charity with an unrestricted grant of £230,000 (2019: £325,000) to cover the core costs of the charity. H. Branson is a trustee of Big Change and is Chairperson of Virgin Unite.

During the course of the year, three donations were made to Big Change by its trustees, all in relation to the Strive Weekender event held in June, 2019. P. Nevin donated £500 to the charity, H. Branson donated £5,000 through a donation via the Virgin Unite Foundation and S. Richardson raised £2,085 (inclusive of gift aid) through online donations via the Virgin Money Giving platform.

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

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Big Change Trading Limited distributes available profits under gift aid to the parent charity. Its charge to corporation tax in the year was:

	2020 £	2019 £
(Loss)/Profit on ordinary activities before taxation	(4,608)	11,198
UK corporation tax at 19%	(876)	2,128
Effects of:		
Adjustments in respect of prior year	–	(1,371)
Income not taxable	–	(2,128)
Total tax charge	(876)	(1,371)
Tax on results on ordinary activities	(876)	(1,371)

Recognised deferred tax assets and liabilities

Deferred tax (assets) and liabilities are attributable to the following:

	2020 £	2019 £
Losses	(876)	–
	(876)	–

10 Taxation (continued)

Deferred Tax (Asset)/Liability	2020 £
As at 1 January 2020	–
Income statement charge/(credit)	(876)
As at 31 December 2020	<u>(876)</u>

A change to the main UK corporation tax rate, announced in the Budget on 11 March 2020, was substantively enacted on 17 March 2020. The rate applicable from 1 April 2020 now remains at 19 percent, rather than the previously enacted reduction to 17 percent. Accordingly the deferred tax (asset)/liability as at 31 December 2020 has been calculated at the rate of 19% (2019:17%).

Following the announcement made in the 2021 budget, it is expected that there will be an increase in the rate of UK corporation tax to 25% on 1 April 2023.

11 Investments

	The group		The charity	
	2020 £	2019 £	2020 £	2019 £
Fair value at the start of the year	741,072	677,327	741,073	677,328
Additions at cost	280,862	99,712	280,862	99,712
Disposal proceeds	(219,551)	(120,695)	(219,551)	(120,695)
Net gain on change in fair value	30,225	64,662	30,225	64,662
Movement within cash held by investment managers	(64,328)	20,066	(64,328)	20,066
Fair value at the end of the year	<u>768,280</u>	<u>741,072</u>	<u>768,281</u>	<u>741,073</u>
Investments comprise:	The group		The charity	
	2020 £	2019 £	2020 £	2019 £
Unlisted shares in UK registered companies	–	–	1	1
Cash	6,699	71,027	6,699	71,027
Listed investments	761,581	670,045	761,581	670,045
	<u>768,280</u>	<u>741,072</u>	<u>768,281</u>	<u>741,073</u>

12 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Big Change Trading Limited, a company registered in England (company number 07998643). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2020 £	2019 £
Turnover	–	363,394
Administrative expenses	(4,608)	(352,196)
(Loss)/profit on ordinary activities before taxation	(4,608)	11,198
Taxation	876	1,370
(Loss)/profit for the financial year	(3,732)	12,568
Retained earnings		
Retained earnings brought forward	1,370	–
Profit for the financial year	(3,732)	12,568
Distribution under gift aid to parent undertaking	–	(11,198)
Retained earnings carried forward	(2,362)	1,370
The aggregate of the assets, liabilities and funds was:		
Assets	174,637	52,794
Liabilities	(176,998)	(51,423)
Capital and retained earnings	(2,361)	1,371

Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2020 £	2019 £
Gross income	1,190,236	1,877,395
Result for the year	(505,114)	346,086

13 Debtors

	The group		The charity	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	5,500	489,203	5,500	489,203
Prepayments and Other debtors	70,028	25,851	–	11,532
Accrued income	341	–	341	–
Amounts owed by Subsidiary	–	–	3,001	23,199
Deferred tax asset	876	–	–	–
	76,745	515,054	8,842	523,933

14 Creditors: amounts falling due within one year

	The group		The charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	6,343	10,400	6,257	8,695
Taxation and social security	–	–	–	–
Grant Creditors	27,500	–	27,500	–
Accruals	11,126	37,269	11,126	10,749
Deferred income (note 15)	214,911	–	41,000	–
	259,880	47,669	85,883	19,444

15 Deferred income

	The group		The charity	
	2020	2019	2020	2019
	£	£	£	£
Balance at the beginning of the year	–	–	–	–
Amount released to income in the year	–	–	–	–
Amount deferred in the year	214,911	–	41,000	–
Balance at the end of the year	214,911	–	41,000	–

Deferred income is comprised of event entry fees that have been ported over to the next financial year when the events will take place and then be counted as income.

16a Analysis of group net assets between funds (current year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Fixed asset investments	768,280	–	–	768,280
Net current assets	1,510,564	119,584	17,500	1,647,648
Net assets at 31 December 2020	2,278,844	119,584	17,500	2,415,928

16b Analysis of group net assets between funds (prior year)

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Fixed asset investments	741,072	–	–	741,072
Net current assets	1,678,528	483,068	17,500	2,179,095
Net assets at 1 January 2020	2,419,600	483,068	17,500	2,920,167

17a Movements in funds (current year)

	At 1 January 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2020 £
Restricted Funds	17,500	92,500	(92,500)	–	17,500
General funds	2,419,600	1,136,763	(947,196)	(330,323)	2,278,844
Designated funds	483,067	–	(693,806)	330,323	119,584
Total funds	2,920,167	1,229,263	(1,733,502)	–	2,415,928

The narrative to explain the purpose of each fund is given at the foot of the note below.

Restricted funds: in 2020 Big Change received five separate donations from four donors totalling £92,500 that were restricted to specific projects. £20,000 of the total was allocated to the Tranquility project, £32,500 to the Rekindle School project, £10,000 to the EasyPeasy project and £30,000 to the Lighthouse project.

Designated funds are described in the Annual Report on Page 7.

17b Movements in funds (prior year)

	At 1 January 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2019 £
Restricted Funds	–	140,000	(122,500)	–	17,500
General funds	2,471,705	2,165,554	(1,385,470)	(832,189)	2,419,600
Designated funds	112,204	–	(461,326)	832,189	483,067
Total funds	2,583,909	2,305,554	(1,969,296)	–	2,920,167

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.