

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

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For the year ended 31 December 2023

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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 Blagrove 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.	<ul style="list-style-type: none">• 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.	<ul style="list-style-type: none">• 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.	<ul style="list-style-type: none">• 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
	<u>273,465</u>	<u>281,669</u>	<u>497,891</u>	<u>52,397</u>

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
	<u>62,730</u>	<u>642,998</u>	<u>46,908</u>	<u>62,716</u>

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	<u>-</u>	<u>417,500</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	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>

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	<u>3,016,905</u>	<u>80,916</u>	<u>124,187</u>	<u>3,222,008</u>

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.