

GOOD THINKING
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

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GOOD THINKING
REGISTERED CHARITY NO. 1147404
REFERENCE AND ADMINISTRATION INFORMATION

Trustees

S L Singh
M D Willcox
P J D Laws

Trust contact and principal office

S J Cook
Morley House
36 Acreman Street
Sherborne
Dorset
DT9 3NX

PROFESSIONAL ADVISORS

Bankers

Barclays Bank Plc
Barclays Private Bank
One Stanhope Gate
London
W1K 1AF

Independent examiner

Robert Oram BFP FCA
Albert Goodman LLP
Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

GOOD THINKING
TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 5 APRIL 2021

The Trustees present their report and financial statements for the year ended 5 April 2021.

The reference and administration information set out on page 1 forms part of this report.

Structure, governance and management

Constitution

Good Thinking was constituted by Trust Deed on 8 February 2012 as amended 12 January 2015. It was registered with the Charity Commission on 23 May 2012, registered charity number 1147404.

Recruitment and appointment of trustees

In selecting persons to be appointed as trustees, the Trustees take into account the benefits of appointing that person and the contribution that they can make to the Charity.

There shall be at least two trustees. The statutory power of appointing new trustees shall be exercisable.

Risks

During the year the Trustees undertook a thorough assessment of the major risks to which the Charity is exposed. Procedures and strategies were implemented to minimise these risks where not already in place. The key risks identified are external and relate to the legal interpretation of the Charity's activities and how the financial climate affects charitable giving and the security of the Charity's assets.

The Trustees continue to mitigate against these risks through regular meetings with employees and external consultants to review the Charity's activities and strategies. The Trustees also utilise the expertise from external investment and banking advisors in order to safeguard the Charity's assets and consider alternative options. The Trustees have a policy of seeking external legal advice for employment matters and for other matters of a legal nature.

Controls and procedures are regularly reviewed by the Trustees and updated as necessary. This includes protecting against fraud through approval procedures for all payments and receipts and ensuring rigorous controls on bank accounts through appropriate signatory mandates.

Objectives and activities

Objectives

Trustees shall hold the trust fund and its income upon trust to apply them for such charitable purposes as the Trustees in their absolute discretion deem fit.

The mission statement of the Charity is "To encourage curious minds and promote rational enquiry".

Achievements and performance

The charity received £198,225 in donations and associated Gift Aid during the year (2020: £351,983).

Grants are awarded to individuals and institutions in furtherance of the charitable objects and taking due consideration of the Charity Commission published guidance on the operation of Public Benefit requirements. Grants have been made to UK-based institutions and individuals, particularly in the field of education. Reports are received and discussions conducted between the Trustees and recipients to monitor and assess the effectiveness of the grants and research activities.

GOOD THINKING
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Material Grants to Institutions:

| | 2021 | 2020 |
|---------------------------|-----------------|-----------------|
| Top-Top Set Maths Project | £105,000 | £95,000 |
| University of Oxford | £Nil | £60,000 |
| Octopus | £Nil | £10,000 |
| Sense About Science | £Nil | £4,825 |
| Full Fact | £4,000 | £4,000 |
| Other grants | £4,333 | £6,489 |
| Total | <u>£113,333</u> | <u>£179,489</u> |

COVID-19 presented a unique set of challenges for many of the schools running the Top-Top Set Maths Project. During the year, four schools dropped out of the project, but it continued to run in eight schools (the institutions receiving grants are detailed below). A further school dropped out prior to the start of the 2021/22 academic year. There are still plans to extend further in the future. Grants are made to the schools to cover the additional costs of running the project. A national competition called the Junior Maths Challenge is used to measure the impact of the programme. The competition awards Kangaroo Gold, Gold, Silver and Bronze certificates to students if they score in the top 3%, 6%, 20% and 40% respectively. If the programme is successful, the participating schools should see an increase in students receiving these certificates. The charity gives a standardised score to each year group by assigning points for each certificate divided by the size of the year group.

Schools receiving grants under the Top-Top Set Maths Project

| | | |
|----------------------|----------------------|-------------------------|
| Capital City Academy | The Bulmershe School | Lister Community School |
| City Academy Hackney | CoLA Highgate Hill | CoLA Shoreditch Park |
| Plashtet School | Cullompton College | |

A grant of £4,000 was made to Full Fact to support the team of independent fact checkers and campaigners who find and expose bad information and counter the harm it does.

Good Thinking's own research activities continued in the year and the Charity also provided factsheets for the website advising the public of findings of various campaigns and raising awareness.

Good Thinking's Judicial Review to challenge the Professional Standards Authority's 2019 accreditation of the Society of Homeopaths was withdrawn after the PSA imposed strict conditions on the Society. In January 2021 the PSA suspended the Society of Homeopaths for their failure to meet the conditions imposed.

Subsequently the PSA has published new Standards for voluntary registers of healthcare providers including a public interest test. The new Standards come after a public consultation on the scope of the Accredited Registers programme, to which Good Thinking made a submission arguing that practitioners who offer therapies whose health benefits are not demonstrated by reliable, high-quality evidence should not be accredited. Following this the Society of Homeopaths has withdrawn from the accreditation scheme.

Plans for the future

The Trustees have reviewed the future grant-making strategy and beneficiaries have been identified. An appropriate system for monitoring grants has been put in place.

The Charity plans to continue to research and challenge misleading claims in order to encourage rational thinking and educate the public.

It is unknown what effect the disruption caused by COVID-19 will have on results of the Top-Top Set Maths Project in the current year. Several schools have dropped out of the project due to logistical issues surrounding delivering the Top-Top Set tuition under current restrictions however the project continues to run at a number of schools.

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TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 5 APRIL 2021

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

Financial review

Financial results

Total net movement of funds for the year amounting to a surplus of £19,291 (2020: £28,865) have been transferred to the accumulated funds of the charity.

Reserves

The reserves of the Charity at the period end are £93,778 (2020: £74,487). Those that are freely available for charitable use amounted to £86,778 (2020: £74,487).

It is the Trustees' policy to apply the reserves in grants. The incidence of grants is uneven and reserves are therefore held to meet need as it arises.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity 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 reasonable and prudent judgements and estimates;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

S L Singh
Trustee

Date: 24 January 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF GOOD THINKING

I report to the Trustees on my examination of the accounts for Good Thinking ("the Charity") for the year ended 5 April 2021.

Respective responsibilities of Trustees and examiner

As the charity Trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the 2011 Act").

I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
2. the accounts do not comply with these records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a "true and fair view" which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Robert Oram BFP FCA
Albert Goodman LLP
Chartered Accountants
Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date: 26 January 2022

GOOD THINKING
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 5 APRIL 2021

| | Notes | Unres- tricted £ | Res- tricted £ | Total 2021 £ | Unres- tricted £ | Res- tricted £ | Total 2020 £ |
|---|-------|------------------------|----------------------|--------------------|------------------------|----------------------|--------------------|
| Income and endowments from: | | | | | | | |
| Donations and legacies | 2 | 173,617 | 22,000 | 195,617 | 315,709 | 36,274 | 351,983 |
| Charitable activities | 3 | 2,608 | - | 2,608 | - | - | - |
| Total income | | 176,225 | 22,000 | 198,225 | 315,709 | 36,274 | 351,983 |
| Expenditure on: | | | | | | | |
| Charitable activities | 4 | 163,934 | 15,000 | 178,934 | 271,079 | 52,039 | 323,118 |
| Total expenditure | | 163,934 | 15,000 | 178,934 | 271,079 | 52,039 | 323,118 |
| Net (expenditure)/income for the year before transfers | | 12,291 | 7,000 | 19,291 | 44,630 | (15,765) | 28,865 |
| Net movement in funds | | 12,291 | 7,000 | 19,291 | 44,630 | (15,765) | 28,865 |
| Reconciliation of funds | | | | | | | |
| Total funds brought forward | | 74,487 | - | 74,487 | 29,857 | 15,765 | 45,622 |
| Total funds carried forward | | 86,778 | 7,000 | 93,778 | 74,487 | - | 74,487 |

GOOD THINKING
BALANCE SHEET
AS AT 5 APRIL 2021

| | Notes | 2021 £ | 2020 £ |
|--|-------|--------------------|--------------------|
| Current assets | | | |
| Debtors | 6 | 43,477 | 43,382 |
| Cash at bank and in hand | | 65,977 | 34,891 |
| | | <hr/> 109,454 | <hr/> 78,273 |
| Liabilities | | | |
| Creditors: Amounts falling due within one year | 7 | 15,676 | 3,786 |
| | | <hr/> 93,778 | <hr/> 74,487 |
| Net current assets | | | |
| | | <hr/> 93,778 | <hr/> 74,487 |
| Net assets | | <hr/> <hr/> 93,778 | <hr/> <hr/> 74,487 |
| The funds of the charity | | | |
| Unrestricted funds | 8 | 86,778 | 74,487 |
| Restricted funds | 8 | 7,000 | - |
| | | <hr/> 93,778 | <hr/> 74,487 |
| | | <hr/> <hr/> 93,778 | <hr/> <hr/> 74,487 |

Approved by the board on 24 January 2022 and signed on its behalf by:

S L Singh
Trustee

GOOD THINKING
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)).

The Charity meets the definition of public benefit under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements have been prepared on a going concern basis as there are no material uncertainties about the charity's ability to continue operating.

Fund accounting policy

Unrestricted Funds – The funds are held so that they can be used in accordance with the Charity's objects at the discretion of the Trustees.

Restricted Funds – The funds are to be used for specific purposes as laid down by the donor. Expenditure which meets this criterion is charged to the fund, together with a fair allocation of management and support costs.

Income

Income is recognised in the period in which the Charity is entitled to receipt and the amount can be measured with reasonable certainty.

Donations and any associated income tax reclaimable from H M Revenue & Customs are recognised on a receivable basis.

Expenditure

Resources expended are accounted for in the period in which they are incurred. The irrecoverable element of VAT is included within the item of expense to which it relates.

Where an item of expenditure falls directly within one cost category, it is attributed to that category only. Where expenditure involves more than one category it is apportioned on a reasonable and justifiable basis.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice.

Grants payable are payments made to individuals and institutions in furtherance of the Charity's charitable objectives. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has fulfilled the conditions.

Cash and bank in hand

Cash at bank and in hand comprise of cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

GOOD THINKING
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

Creditors

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 recognised at their settlement amount.

Financial instruments

The charity only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Cash at bank is classified as a basic financial instrument and is measured at face value. Prepayments are not financial instruments.

Financial liabilities – trade creditors and accruals are financial instruments and are measured at amortised cost. Deferred income is not deemed to be a financial liability as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2 Donations and legacies

| | Unres- tricted £ | Res- tricted £ | Total 2021 £ | Unres- tricted £ | Res- tricted £ | Total 2020 £ |
|------------------------|------------------------|----------------------|--------------------|------------------------|----------------------|--------------------|
| Donations | | | | | | |
| Donations and legacies | 173,617 | 22,000 | 195,617 | 315,709 | 36,274 | 351,983 |
| | <u>173,617</u> | <u>22,000</u> | <u>195,617</u> | <u>315,709</u> | <u>36,274</u> | <u>351,983</u> |

3 Charitable Activities - Income

| | Unres- tricted £ | Res- tricted £ | Total 2021 £ | Unres- tricted £ | Res- tricted £ | Total 2020 £ |
|------------------------------|------------------------|----------------------|--------------------|------------------------|----------------------|--------------------|
| Charitable activities | | | | | | |
| Lectures and presentations | 2,608 | - | 2,608 | - | - | - |
| | <u>2,608</u> | <u>-</u> | <u>2,608</u> | <u>-</u> | <u>-</u> | <u>-</u> |

GOOD THINKING
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

4 Charitable Activities – Expenditure

| | Unres- tricted £ | Res- tricted £ | Total 2021 £ | Unres- tricted £ | Res- tricted £ | Total 2020 £ |
|--|------------------------|----------------------|--------------------|------------------------|----------------------|--------------------|
| Charitable grants | | | | | | |
| Charitable donations (Detailed in Trustees' Annual Report) | 98,333 | 15,000 | 113,333 | 159,489 | 20,000 | 179,489 |
| Research and education activities | | | | | | |
| Salaries | 47,122 | - | 47,122 | 59,647 | - | 59,647 |
| Employer's NI | 284 | - | 284 | 2,357 | - | 2,357 |
| Pension contributions | 1,070 | - | 1,070 | 1,178 | - | 1,178 |
| Legal and professional fees | 4,724 | - | 4,724 | 33,966 | 31,274 | 65,240 |
| Consultancy fees | 7,576 | - | 7,576 | 5,150 | - | 5,150 |
| Research and development | - | - | - | 80 | - | 80 |
| Post, stationery and computer consumables | 124 | - | 124 | 36 | - | 36 |
| Marketing | 1,247 | - | 1,247 | 1,032 | - | 1,032 |
| Telephone and internet | 225 | - | 225 | 440 | - | 440 |
| Insurance | 206 | - | 206 | 192 | - | 192 |
| Travel and subsistence | (58) | - | (58) | 4,052 | 765 | 4,817 |
| Credit card charges | 577 | - | 577 | 1,274 | - | 1,274 |
| Sundries | 284 | - | 284 | 86 | - | 86 |
| Support costs | | | | | | |
| Governance costs | | | | | | |
| Independent examination fee | 2,220 | - | 2,220 | 2,100 | - | 2,100 |
| | 65,601 | - | 65,601 | 111,590 | 32,039 | 143,629 |
| Total expenditure | 163,934 | 15,000 | 178,934 | 271,079 | 52,039 | 323,118 |

5 Staff Costs and Trustees' Emoluments

During the year 3 people were employed by Good Thinking (2020: 2). The average number of employees was 2 for both years. Gross salaries paid during the year amounted to £47,122 (2020: £59,647).

None of the Trustees received remuneration for their work as trustees. The Trustees incurred expenses of £115 on behalf of the charity during the year ended 5 April 2021 (2020: £3,278). £Nil was still to be reimbursed at the year end (2020: £Nil).

GOOD THINKING
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

6 Debtors

| | 2021 | 2020 |
|----------------------|--------------|--------------|
| | £ | £ |
| Accrued income | 407 | 305 |
| Prepayments | 304 | 335 |
| Gift aid recoverable | 42,766 | 42,742 |
| | <hr/> 43,477 | <hr/> 43,382 |
| | <hr/> <hr/> | <hr/> <hr/> |

7 Creditors – amounts due in less than one year

| | 2021 | 2020 |
|------------------------------|--------------|-------------|
| | £ | £ |
| Trade creditors | 121 | 153 |
| Accruals and deferred income | 14,402 | 2,375 |
| Social security | 1,153 | 1,258 |
| | <hr/> 15,676 | <hr/> 3,786 |
| | <hr/> <hr/> | <hr/> <hr/> |

GOOD THINKING
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

8 Statement of funds

| | Balance 06.04.20 £ | Income £ | Expend- iture £ | Balance 05.04.21 £ |
|---------------------------------|-----------------------------------|---------------------|--------------------------------|-----------------------------------|
| Restricted funds | | | | |
| Top-Top Set Maths Project | - | 22,000 | (15,000) | 7,000 |
| Total restricted funds | - | 22,000 | (15,000) | 7,000 |
| Unrestricted funds | | | | |
| General | 74,487 | 176,225 | (163,934) | 86,778 |
| Total Funds | 74,487 | 198,225 | (178,934) | 93,778 |
| | | | | |
| | Balance 06.04.19 £ | Income £ | Expend- iture £ | Balance 05.04.20 £ |
| Restricted funds | | | | |
| Who Wants To Be A Mathematician | 765 | - | (765) | - |
| Top-Top Set Maths Project | 15,000 | 5,000 | (20,000) | - |
| Judicial Review | - | 31,274 | (31,274) | - |
| Total restricted funds | 15,765 | 36,274 | (52,039) | - |
| Unrestricted funds | | | | |
| General | 29,857 | 315,709 | (271,079) | 74,487 |
| Total Funds | 45,622 | 351,983 | (323,118) | 74,487 |

Donations were received during the year of £17,000 from John Lyon's Charity and £5,000 from London Mathematical Society. These donations were received to support schools with the additional costs of running the Top-Top Set Maths Project. £15,000 of the funds were spent during the year.

GOOD THINKING
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

9 Analysis of net assets between funds

| | Unres- tricted £ | Res- tricted £ | Total funds 2021 £ | Total funds 2020 £ |
|--------------------|------------------------|----------------------|--------------------------|--------------------------|
| Net current assets | 86,778 | 7,000 | 93,778 | 74,487 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | 86,778 | 7,000 | 93,778 | 74,487 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

10 Financial instruments

Categorisation of financial instruments

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Financial assets that are debt instruments measured at amortised cost | 108,743 | 77,633 |
| | <hr/> | <hr/> |
| | 108,743 | 77,633 |
| | <hr/> | <hr/> |
| Financial liabilities that are at amortised cost | 14,523 | 2,528 |
| | <hr/> | <hr/> |
| | 14,523 | 2,528 |
| | <hr/> | <hr/> |

There was no interest income for financial assets not measured at fair value through the SOFA (2020: £Nil). There was no income from financial assets and liabilities during the year (2020: £Nil). There have been no expenses, gains or losses associated with financial instruments during the year (2020: £Nil).