

Company no. 07660799
Charity no. 1159291

British Future
Report and Audited Financial Statements
31 March 2021

British Future

Reference and administrative details

For the year ended 31 March 2021

Company number 07660799

Charity number 1159291

Registered office and operational address Kean House
6 Kean Street
London
WC2B 4AS

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:

Andrea Als
Qari Asim MBE
Shirley Cramer - Chair
Robert Duffy
Ed Greig
Laura Harrison
Howard Jackson
Sam Jacobs
Alasdair Murray
Ayesha Saran
Shailesh Solanki

Director Sunder Katwala

Bankers Metro Bank
1 Southampton Row
London
WC1B 5HA

Auditors Godfrey Wilson Limited
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

British Future

Report of the trustees

For the year ended 31 March 2021

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

The trustees have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2021.

Structure, governance and management

British Future ("the charity") is constituted as a company limited by guarantee and is governed by a Memorandum and Articles of Association.

On 20 November 2014, the charity was registered by the Charity Commission in recognition of its charitable status.

Appointment of trustees

The directors of the charity are its trustees and throughout this report are collectively referred to as the trustees. As set out in the charity's Articles of Association, trustees are elected by the members of the charity. The trustees have the power to appoint and fill casual vacancies: when a vacancy arises, the board considers the skill set and what gaps there are. New trustees can be nominated by any trustee: they can be recruited by advertisement or by targeting through professional contacts. Potential trustees are invited to apply to the chair who will arrange an interview with the Nominations Committee.

Induction and training of trustees

Trustees are given an in-depth introduction to the charity and the role of trustees through meetings with other trustees (including the chair) and meetings with staff (including the director). New trustees are also given relevant documentation including recent research, meeting minutes and annual reports. Workshops specifically for trustees are held at least once a year.

Organisational structure

A board of at least six and no more than twelve trustees administers the charity. The trustees of the charity are also its company law members. The day-to-day running of the charity is delegated to staff under the leadership of the director. The board of trustees meets on a quarterly basis primarily to discuss issues of strategic direction, both in relation to the running of the charity and the research priorities. They therefore approve an annual strategic plan and budget before the start of the year and then monitor progress against the plan during the year.

British Future

Report of the trustees

For the year ended 31 March 2021

Risk management

The charity has established an Operations and Governance Committee (OGC), which meets at least quarterly making quarterly reports and recommendations to the board of trustees for their approval. The OGC has delegated responsibility from the board of trustees for ensuring that there is a framework for accountability; for examining and reviewing all systems and methods of control, both financial and otherwise (i.e. administrative), as well as risk analysis and risk management; and for ensuring the charity is complying with all aspects of the law, relevant regulations and good practice. The board itself is committed to conducting an annual review of risks as well as acting on recommendations from the OGC.

During 2019/20, a Nominations Committee was set up. It is a sub-committee of the board of trustees and its main aims are to maintain an overview of the composition of the board of trustees and to ensure that the members collectively provide the expertise and experience required for the governance of the board. It also leads on recruitment of the trustees.

Public benefit

The trustees are conscious of and comply with the charity's duty to provide public benefit as that term is used in charity law and the Charity Commission's guidance on public benefit. The charity's activities are directed toward the fulfilment of the charity's charitable purposes and the delivery of public benefit.

The principal ways in which the charity provides public benefit is through the provision of objective, unbiased information, not otherwise available to the general public on matters relating to cultural identity and integration, migration and equality of opportunity. The information is presented in a variety of ways through diverse media, which allow a wide section of the public to have access to the information. The information is "educational" in the charitable sense and valuable to the general public because it is not available from other sources. The widespread use and referencing of the information by academics, educational institutions and mainstream media and commentators alike reflects the 'need' for it and the public benefit in providing it.

Without information of this sort, it would be hard for the general public and interested academic and other institutions to achieve a full and balanced understanding of responses to cultural identity and integration, migration and equality of opportunity.

Objectives and activities

The main objectives for the year reflect those set out in the organisation's strategy:

- Informing the future of UK immigration policy beyond Brexit;
- Developing a proactive approach to integration, encouraging more institutions and citizens to play a role in social connection;
- Promoting the value of citizenship, and protecting the status and rights of EU nationals resident in Britain beyond Brexit;
- Working to combat prejudice, xenophobia and extremism of all kinds; and
- Sharing relevant lessons of our work with organisations doing similar work around the UK and abroad.

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Report of the trustees

For the year ended 31 March 2021

Achievements and performance

Informing the future of immigration policy

British Future undertakes public attitudes research, engages with policy stakeholders and advocates constructive reforms that can strengthen public confidence in how our society can manage immigration fairly, both for migrants and the communities that they join.

British Future and the Policy Institute at King's College London published a joint report, 'The Reset Moment' in March 2020, which offered a detailed account of immigration attitudes after the December 2019 General Election, to assess the public policy and political challenges for this Parliament. Given the impact of the pandemic, British Future and King's College London published a new round of attitudes research in June 2020. This found broadly stable attitudes, with a broader public perception of the contribution of migrants to the NHS and public services. The research found that significant shifts in migration attitudes – with significantly reduced public salience and a gradual warming of attitudes – had taken place over several years, particularly since the 2016 referendum, rather than during the pandemic itself.

The major policy intervention was the final report of a Commission on the future of citizenship policy, chaired by Alberto Costa MP. A distinctive feature of the Commission was the breadth of its membership, across political parties and civic society, with members including Satbir Singh of JCWI and the editor of the Spectator magazine, Fraser Nelson, in recommending reforms capable of commanding a broad public and political consensus. British Future will continue to work with allies to promote constructive policy reforms, using the inquiry's evidence.

In 2021/22, British Future will publish the first of four more waves of a long-running immigration attitudes tracking study, conducted by Ipsos-Mori, to ensure we have a rigorous up-to-date evidence base to inform public and stakeholder understanding of how attitudes are responding to a changing context. British Future is a founder member of the Together with Refugees coalition, working with asylum and refugee charities ahead of the public launch in Spring 2021 on attitudes research, policy and advocacy and communications that can secure broad public support for refugee protection, including a project to mark the 70th anniversary of the UN refugee convention.

Race in Britain

As race grows in public salience in an increasingly diverse Britain, British Future seeks to inform efforts to advance race equality that can mobilise broad coalitions for change.

After the anti-racism protests of Summer 2020, British Future undertook the most detailed public engagement to understand responses across different ethnic groups, generations and different parts of the UK, holding deliberative conversations in ten locations across UK nations and regions, and two rounds of attitudes polling - involving a total of 2,500 white and 3,000 ethnic minority respondents. This offers the most detailed portrait of ethnic minority and majority attitudes in the public domain, on key issues, including the language and terminology of race, fairness and discrimination, and priorities for policy change. While illustrating the drivers of a more contested public debate about race across generations, the report sets out how civic and political leaders could unlock a broad inter-ethnic consensus for action on race equality across many key issues – including how we teach the history of Empire and race; tackling CV discrimination in recruitment; and challenging online racism.

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Report of the trustees

For the year ended 31 March 2021

This research was supported by the Cabinet Office, as a commissioned submission to the Commission on Race and Ethnic Disparities, which drew on the research. British Future held editorial control of the research, publishing its own report “Race and Opportunity in Britain: Finding Common Ground” independently. Responses to the Commission’s own report demonstrated the challenges of a starkly polarised political, media and civic society debate about race in Britain. In 2021/22, British Future is undertaking a range of activities and events exploring how constructive conversations about race can lead to positive change in politics, business, education and civic society.

Combatting prejudice and xenophobia

Our ongoing joint work with the British Legion in the ‘Remember Together’ project continued, including the coordination of an open letter in November 2020 committing to better education, commemoration and documentation of the black and Asian Commonwealth contribution to the second world war, supported by second world war Commonwealth veterans, major figures across the political spectrum, and two former heads of the Armed Services. British Future is working with schools in Rochdale and Walthamstow on local pilot projects to develop Remember Together in educational settings.

British Future is undertaking new research and training on how anti-prejudice campaigns can reach tougher and conflicted audiences, piloting and testing new methodologies for engagement which can be shared with practitioners in this field.

Promoting integration in polarised times

Bridging the divides in our society – by place, age and class as well as by race or faith – has rarely received the political attention it deserves. British Future is working to build effective broader civic coalitions for constructive action to bridge social divides.

British Future provides the secretariat of the All-Party Parliamentary Group on Social Integration. The APPG undertook an inquiry into Social Connection in the Covid-19 crisis, publishing its interim report in June 2020. After evidence sessions with local government, business and civic society stakeholders, the inquiry will publish its recommendations for practical and policy change beyond the pandemic in a final report in Autumn 2021. Peter Gibson MP succeeded Holly Lynch MP as Chair of the APPG, after the latter was appointed to a frontbench role.

The Together Coalition and ‘Talk Together’

A major focus of British Future’s work in 2020-21 was playing a foundational role in establishing and incubating the Together Coalition, a new alliance which invites everybody to play their part in social connection. Social integration – bridging social connections across divides – enables communities to accommodate immigration and changes in the ethnic composition of society. Yet integration is a low priority for public policy. Work to establish the coalition began in 2019, with the decision to integrate “Reunited Kingdom”, led by the Archbishop of Canterbury to bring together leading voices and institutions to address post-Brexit divisions, with British Future’s policy convening of a “Together Coalition” comprising NGOs seeking to address the vacuum in policy on integration and social connection led to an integrated theory of change – of the need to combine narrative, public participation and policy change. The Together project was incubated within British Future, which provided charitable governance for the start-up phase, and British Future secured a £500,000 grant from the Aviva Foundation, to establish the Together coalition and undertake its initial programme of activities. The first £350,000 of this grant was received by British Future. British Future staff also managed £50,000 of funding from two private donors and a foundation.

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Report of the trustees

For the year ended 31 March 2021

British Future also co-ordinated the coalition's first public intervention – a high-profile commitment on January 1st 2020 from many voices across civic society to work together to make this a “decade of reconnection” in British society, inviting everybody to play their part in this vision. After rescheduling its launch activities, given the Covid pandemic, the Together coalition launched publicly in July 2021 by hosting a Thank You day on the NHS 75th birthday, which achieved impressive public awareness and participation.

Beyond incubating the project, supporting the transition of governance to a new entity, The Together Initiative, British Future's major contribution was to undertake the project's foundational research project. The “Talk Together” research was conceived as the largest ever public engagement exercise into what unites and what divides, and what people believe we can do to bridge our divides. While the methods of “Talk Together” had to be reconceived – with public engagement migrating online during the pandemic – the project succeeded in its ambition for an unparalleled level of public engagement. Over 160,000 people took part in the project, which included a mixture of open surveys, representative national attitudes research, and 67 in-depth deliberative conversations involving both civic stakeholders and the general public, across all nations and regions of the UK. The report was extensively reported in the media, and now provides an authoritative evidence base which can inform the coalition's activities on narratives, public participation, and the changes in policy and practice that can increase social connection.

British Future ceased to incubate and oversee the coalition governance once The Together Initiative was incorporated on 30 June 2020 to govern the campaign, and went on to secure its charitable status (registered charity number: 1193060) in January 2021. Together now has its own board of trustees and staff team. British Future trustees were invited to nominate a board member for The Together Initiative, signalling the mutual interest in aligning charitable objectives, and the Together coalition's governance commitments to not duplicate or compete with the existing work of coalition partners. Sam Jacobs is serving as a trustee of British Future and as a director of The Together Initiative.

Once The Together Initiative was incorporated, it undertook a number of activities that were funded through the initial grant payment of £350,000 from the Aviva Foundation. To fund this work, British Future made a formal sub-grant of £187,423 to The Together Initiative. Having incubated the entity and completed this work, the board of trustees decided that The Together Initiative should fully take on the work funded by the Aviva Foundation and agreed to a variation to the original grant of £500,000 such that the balance of £150,000 could be paid directly to The Together Initiative.

Having completed the transition of governance responsibilities and start-up funding, British Future's future contribution within the Together coalition in 2021/22 will focus on the future policy and practice work of the coalition. Our director Sunder Katwala is part of the Steering Group, chaired by the Archbishop of Canterbury, and British Future is among the broad coalition membership. While the incubation of the Together project involved a major commitment of both trustee governance and staff capacity, particularly for a charity of our size, British Future trustees believe that our role in the successful launch of this ambitious new coalition initiative has made a significant contribution to our charitable goals and impact.

British Future

Report of the trustees

For the year ended 31 March 2021

Sharing lessons of our work

British Future staff acted as advisers to several projects and organisations, including the Home Office's EU settlement scheme user group, the Deputy Mayor of London's Social Integration and advisory group, and to the Local Government Association. British Future events engaged with practitioner and stakeholder audiences, hosted by organisations including: The Policy Institute at King's College London, Conservatives Against Racism for Equality, The Together Initiative and Barrow Cadbury Trust.

Publications

- Race and Opportunity in Britain: Finding Common Ground (March 2021);
- Our Chance to Reconnect: Final report of the Talk Together project (March 2021);
- Barriers to Britishness: Report of the Alberto Costa Inquiry into citizenship policy (December 2020); and
- Remembering the Kindness of Strangers: Division, unity and social connection during and beyond Covid-19 (August 2020).

British Future staff also regularly contributed to a wide spectrum of media outlets including all national daily and Sunday newspapers across the United Kingdom, many local newspapers and media outlets.

British Future staff team

Jill Rutter, our Director of Strategy and Relationships, left the staff team in March 2021. The trustees would like to thank her for a major contribution during her five years with the organisation, and wish her well in her new role at Spirit of 2012. Jill will remain involved with British Future as the first member of a new Research Fellow programme. Jill's successor Heather Rolfe joined the staff team in April 2021 as Director of Research and Relationships. The trustees would also like to thank Sunder Katwala (Director), Steve Ballinger (Director of Communications), Louise Hickmott (Office Manager), Lucy Buckerfield (Events Manager) and Jake Puddle (intern) for their contributions to the organisation's work during this successful year in unusual and challenging circumstances. Jake Puddle took on a new role as a researcher from April 2021, with Michelle Midzi succeeding him on the British Future internship programme.

Impact of the Covid pandemic

The Covid pandemic from March 2020 reshaped the social and economic context for all organisations. As this report demonstrates, British Future was able to adapt its public programme of work effectively, adapting successfully to the practical challenges of remote and online working, and making significant contributions to public understanding of the impact of the pandemic on society. The organisation adapted its model of public engagement to use online methods. Both the Talk Together and APPG reports explore the challenges of digital inclusion, which present both challenges (of digital access and confidence) and some gains (such as greater rural participation).

Online events with stakeholder and public audiences were able to reach a broader general audience, by broadcasting events on YouTube. Staff will explore options for integrating real world and online dissemination beyond the pandemic.

Core and project funding was not disrupted during 2020-21 by the impact of the pandemic. There was a significant but temporary increase in short-term turnover, due to British Future's role in incubating the Together Coalition during its governance transition to a new entity, with a broadly stable funding context.

British Future

Report of the trustees

For the year ended 31 March 2021

As British Future approaches the 10th anniversary of its 2012 launch, the strategy of trustees and staff seeks to secure a gradual and sustainable growth in resources and capacity in the medium-term, so as to further increase the impact of our work.

Financial review

Income

During the year, British Future continued to receive core funding from Barrow Cadbury Trust, Paul Hamlyn Foundation, Sigrid Rausing Trust and Trust for London.

In the year, the charity entered into an academic partnership with King's College London who funded research work on immigration. In addition, the charity carried out significant work under contract. The main projects were for the Government, managed by M&C Saatchi, directly with the Cabinet Office and for the Local Government Association.

The major focus in the year was the charity's work on the Decade of Reconnection project. During the year, the charity received a substantial grant from Aviva Foundation that was utilised to help build a kinder, closer and more connected society by:

- Undertaking a national project, Talk Together, a UK wide public consultation on how COVID-19 has changed our society and what has stayed the same; of the divisions we fear; and the changes that people want; and
- Establishing a separate legal entity and registered charity, The Together Initiative, and providing it with a significant grant to continue the charity's work to bring people together and bridge divides.

Details of specific projects are set out in note 13 to the accounts.

Notwithstanding this, the charity continues to develop its fundraising programme to ensure it has the funds necessary to carry out its objects and achieve its aims in the longer term.

The board also wishes to thank the Barrow Cadbury Trust for their substantial support to the charity in the form of donated facilities.

Expenditure

The charity's staff team was primarily focused on charitable activities and fundraising efforts during the year with additional external costs incurred to carry out strategic initiatives and to engage additional resources as required.

Following the establishment of The Together Initiative, the trustees awarded a grant of £187,423 to that charity to enable it to continue the charity's good work.

Results for the year

The charity suffered a deficit of £33,192 for the year (2020: surplus of £61,752). The deficit arose as a result of expenditure on core costs and the Decade of Reconnection project that was funded from income received towards the end of the previous year. As a result, the charity still ended the year with reserves of £94,029 (2020: £127,221).

Thanks to the ongoing support of its original funders and funding from new supporters, the charity has sufficient funds to continue to fulfil its objectives in the short to medium term.

British Future

Report of the trustees

For the year ended 31 March 2021

Reserves policy

As a general policy, the board has decided that the charity should hold three to four months of overhead expenditure in reserves, equivalent to around £100,000.

The timing of individual grant payments to the charity can make the positions of reserves at a point in time volatile and the board has decided that the best way to measure compliance with this policy is to carefully monitor the cash flow forecasts to ensure income and expenditure is in line with the target such that a minimum of £100,000 of cash funds is held in the bank account.

The unrestricted reserves for the charity at 31 March 2021 were £92,624 (2020: £94,118).

Fundamental accounting concepts

As a not-for profit charity that has registered with the Charity Commission, the charity has prepared these accounts in accordance with Statement of Recommended Practice, Accounting and Reporting by Charities (Charities SORP 2015 – FRS 102).

Plans for future periods

The trustees plan to continue activities within the charity's charitable purposes, including promoting further useful, objective research with an educational value on issues relating to cultural identity and integration, migration and equality of opportunity.

The trustees also aim to develop new ways in which the public's experiences of responses to these issues may be better understood, including developing avenues of objective research that reflect the less-well understood aspects of emotional and subjective responses to these issues.

The charity's priorities for the next period are:

- to conduct and disseminate objective research into public attitudes toward identity, culture and integration in British society; and into the economic, social and cultural impacts of migration, using both quantitative and qualitative research; disseminating this to the general public, through public events and contributions to the media;
- to disseminate the results of that research to the general public and in such a way as to inform in a balanced and objective way the public contributions of institutions involved in public debate of relevant topics (including business and trade unions; civic society groups; government and the major political parties); and, in particular, considering how to engage with the general public, including those with possibly deep anxieties about these issues, in a way which can engender interest in learning more and achieving a better understanding of public attitudes to these issues;
- to further deepen relationships with those working for constructive 'common ground' responses, bringing people together across different ethnic, faith and class backgrounds, and seeking to help such efforts engage general public audiences as fully as possible. We are particularly concerned to ensure that constructive efforts to develop common ground approaches reach those who are anxious about community relations in Britain today; and
- to identify future funding sources which will enable it to further diversify its current funding base during 2021/22.

British Future

Report of the trustees

For the year ended 31 March 2021

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 charity and of the income and expenditure of the charity for that period. In preparing those 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 accounting 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; and
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- 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.

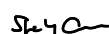
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 23 September 2021 and signed on their behalf by



Shirley Cramer - Chair

Independent auditors' report

To the members of

British Future

Opinion

We have audited the financial statements of British Future (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the members of

British Future

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditors' report

To the members of

British Future

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.

Independent auditors' report

To the members of

British Future

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.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Godfrey

Date: 27 September 2021

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

British Future

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Restricted £	Unrestricted £	2021 Total £	2020 Total £
Income from:					
Donations	3	-	36,796	36,796	80,135
Charitable activities	4	<u>399,400</u>	<u>310,519</u>	709,919	501,316
Total income		<u>399,400</u>	<u>347,315</u>	746,715	581,451
Expenditure on:					
Raising funds		-	12,907	12,907	35,499
Charitable activities		<u>434,538</u>	<u>332,462</u>	767,000	484,200
Total expenditure	5	<u>434,538</u>	<u>345,369</u>	779,907	519,699
Net income / (expenditure)		(35,138)	1,946	(33,192)	61,752
Transfers between funds		<u>3,440</u>	<u>(3,440)</u>	-	-
Net movement in funds	13	(31,698)	(1,494)	(33,192)	61,752
Reconciliation of funds:					
Total funds brought forward		<u>33,103</u>	<u>94,118</u>	127,221	65,469
Total funds carried forward		<u>1,405</u>	<u>92,624</u>	94,029	127,221

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 13 to the accounts.

British Future

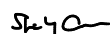
Balance sheet

As at 31 March 2021

	Note	£	2021 £	2020 £
Current assets				
Debtors	10	29,945		8,889
Cash at bank and in hand		<u>232,801</u>		<u>156,479</u>
		262,746		165,368
Liabilities				
Creditors: amounts falling due within 1 year	11	<u>(168,717)</u>		<u>(38,147)</u>
Net current assets			<u>94,029</u>	<u>127,221</u>
Net assets	12		<u>94,029</u>	<u>127,221</u>
Funds	13			
Restricted funds			1,405	33,103
Unrestricted funds				
General funds			<u>92,624</u>	<u>94,118</u>
Total charity funds			<u>94,029</u>	<u>127,221</u>

These 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 September 2021 and signed on their behalf by



Shirley Cramer - Chair

British Future

Statement of cash flows

For the year ended 31 March 2021

	2021 £	2020 £
Cash used in operating activities:		
Net movement in funds	(33,192)	61,752
Decrease / (increase) in debtors	(21,056)	41,021
Increase / (decrease) in creditors	<u>130,570</u>	<u>6,837</u>
Net cash provided by operating activities	<u>76,322</u>	<u>109,610</u>
Increase / (decrease) in cash and cash equivalents in the year	76,322	109,610
Cash and cash equivalents at the beginning of the year	<u>156,479</u>	<u>46,869</u>
Cash and cash equivalents at the end of the year	<u>232,801</u>	<u>156,479</u>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

British Future

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies

a) Basis of preparation

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

British Future meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. While the COVID-19 pandemic has had a profound impact on the global economy, the trustees have considered the impact of this issue on the charitable company's current and future financial position. As the charity has already secured substantial core funding in 2021/22 and has relatively low support costs, the trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

c) Income

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

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

Income received under contracts or service level agreements in advance is deferred until criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated 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.

1. Accounting policies (continued)

e) 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.

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) 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.

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

h) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been fully allocated on the following basis, which is an estimate of staff time attributable to that activity:

	2021	2020
Raising funds	3%	8%
Charitable activities	97%	92%

i) 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.

j) 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.

k) 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 normally recognised at their settlement amount after allowing for any trade discounts due.

1. Accounting policies (continued)

l) Financial instruments

The charitable company 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 recognised at amortised cost using the effective interest method.

m) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

n) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

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

British Future

Notes to the financial statements

For the year ended 31 March 2021

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2020 Total £
Income from:			
Donations	39,000	41,135	80,135
Charitable activities	<u>265,566</u>	<u>235,750</u>	<u>501,316</u>
Total income	<u>304,566</u>	<u>276,885</u>	<u>581,451</u>
Expenditure on:			
Raising funds	-	35,499	35,499
Charitable activities	<u>293,772</u>	<u>190,428</u>	<u>484,200</u>
Total expenditure	<u>293,772</u>	<u>225,927</u>	<u>519,699</u>
Net income	10,794	50,958	61,752
Transfers between funds	<u>23,759</u>	<u>(23,759)</u>	-
Net movement in funds	<u><u>34,553</u></u>	<u><u>27,199</u></u>	<u><u>61,752</u></u>

3. Income from donations

	Restricted £	Unrestricted £	2021 Total £
Donated professional services and facilities	-	36,196	36,196
Other donations	<u>-</u>	<u>600</u>	<u>600</u>
Total income from donations	<u><u>-</u></u>	<u><u>36,796</u></u>	<u><u>36,796</u></u>

During the current and prior year, the charity benefitted from the use of office space provided by the Barrow Cadbury Trust without charge.

Prior period comparative

	Restricted £	Unrestricted £	2020 Total £
Donated professional services and facilities	-	40,085	40,085
Other donations	<u>39,000</u>	<u>1,050</u>	<u>40,050</u>
Total income from donations	<u><u>39,000</u></u>	<u><u>41,135</u></u>	<u><u>80,135</u></u>

British Future

Notes to the financial statements

For the year ended 31 March 2021

4. Income from charitable activities

	Restricted £	Unrestricted £	2021 Total £
Grants			
Aviva Foundation	350,000	-	350,000
Sigrid Rausing Trust	-	75,000	75,000
Trust for London	-	50,000	50,000
The Barrow Cadbury Trust	49,400	-	49,400
Paul Hamlyn Foundation	-	40,000	40,000
King's College London	-	10,523	10,523
Contracts			
M&C Saatchi	-	68,580	68,580
Cabinet Office	-	57,950	57,950
LGA	-	6,000	6,000
Crest Advisory	-	1,500	1,500
Other	-	966	966
Total income from charitable activities	399,400	310,519	709,919

Prior period comparative

	Restricted £	Unrestricted £	2020 Total £
Grants			
Unbound Philanthropy	120,000	-	120,000
Sigrid Rausing Trust	-	75,000	75,000
Paul Hamlyn Foundation	43,000	40,000	83,000
The Barrow Cadbury Trust	66,800	-	66,800
Trust for London	-	50,000	50,000
The John Ellerman Foundation	-	40,000	40,000
British Red Cross	14,316	-	14,316
Global Dialogue	13,150	-	13,150
MoneyGram	8,300	-	8,300
Contracts			
Unbound Philanthropy	-	15,000	15,000
Imperial War Museum (IWM) - 14:18 Now	-	9,000	9,000
European Council on Foreign Relations	-	3,000	3,000
Crest Advisory	-	2,250	2,250
Federation of Small Businesses	-	1,500	1,500
Total income from charitable activities	265,566	235,750	501,316

British Future

Notes to the financial statements

For the year ended 31 March 2021

5. Total expenditure

	Raising funds £	Charitable activities £	Support costs £	Governance costs £	2021 Total £
Project costs	-	150,877	-	-	150,877
Staff costs (note 7)	9,244	307,020	44,379	-	360,643
Grants payable (note 8)	-	187,423	-	-	187,423
Support costs	-	-	70,365	-	70,365
Trustee indemnity insurance	-	-	-	3,866	3,866
Audit and legal costs	-	-	-	6,733	6,733
Sub-total	9,244	645,320	114,744	10,599	779,907
Allocation of support and governance costs	<u>3,663</u>	<u>121,680</u>	<u>(114,744)</u>	<u>(10,599)</u>	<u>-</u>
Total expenditure	<u>12,907</u>	<u>767,000</u>	<u>-</u>	<u>-</u>	<u>779,907</u>

Prior period comparative

	Raising funds £	Charitable activities £	Support costs £	Governance costs £	2020 Total £
Project costs	-	74,395	-	-	74,395
Staff costs (note 7)	24,516	283,014	43,989	-	351,519
Support costs	-	-	82,061	-	82,061
Trustee indemnity insurance	-	-	-	3,052	3,052
Trustee travel and meetings	-	-	-	71	71
Audit and legal costs	-	-	-	8,601	8,601
Sub-total	24,516	357,409	126,050	11,724	519,699
Allocation of support and governance costs	<u>10,983</u>	<u>126,791</u>	<u>(126,050)</u>	<u>(11,724)</u>	<u>-</u>
Total expenditure	<u>35,499</u>	<u>484,200</u>	<u>-</u>	<u>-</u>	<u>519,699</u>

British Future

Notes to the financial statements

For the year ended 31 March 2021

6. Net movement in funds

This is stated after charging:

	2021 £	2020 £
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Auditors' remuneration:		
▪ Statutory audit (including VAT)	<u>6,120</u>	<u>5,760</u>

7. Staff costs and numbers

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	303,824	294,406
Social security costs	30,600	30,400
Pension costs	<u>26,219</u>	<u>26,713</u>
	<u>360,643</u>	<u>351,519</u>

One employee received remuneration between £110,000 and £120,000 during the year (2020: one between £100,000 and £110,000). Employer pension costs for this employee totalled £11,000 for the year (2020: £10,489).

The key management personnel of the charitable company comprise the trustees and the Director. The total employee benefits of the key management personnel were £143,690 (2020: £129,231).

	2021 No.	2020 No.
Average head count	<u>6</u>	<u>6</u>

8. Grants payable

	2021 £	2020 £
Grants to institutions:		
The Together Initiative	<u>187,423</u>	<u>-</u>

All grants are paid to fund charitable activities. There are no support costs allocated to grants payable.

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

British Future

Notes to the financial statements

For the year ended 31 March 2021

10. Debtors

	2021 £	2020 £
Trade debtors	21,200	-
Prepayments	7,779	8,889
Accrued income	966	-
	29,945	8,889

11. Creditors: amounts due within 1 year

	2021 £	2020 £
Trade creditors	3,006	4,023
Accruals	16,279	24,352
Deferred income*	5,000	-
Other taxation and social security	18,226	9,772
Other creditors	126,206	-
	168,717	38,147

*Deferred income relates to contract income received in advance of the delivery of the associated services.

12. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Current assets	127,565	135,181	262,746
Current liabilities	(126,160)	(42,557)	(168,717)
Net assets at 31 March 2021	1,405	92,624	94,029
Prior period comparative			
	Restricted funds £	Unrestricted funds £	Total funds £
Current assets	33,103	132,265	165,368
Current liabilities	-	(38,147)	(38,147)
Net assets at 31 March 2020	33,103	94,118	127,221

British Future

Notes to the financial statements

For the year ended 31 March 2021

13. Movements in funds

	At 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2021 £
Restricted funds					
Citizenship project	22,880	-	(21,475)	-	1,405
Core restricted	-	49,400	(49,400)	-	-
The Together Initiative	10,223	195,520	(205,743)	-	-
Talk Together	-	154,480	(157,920)	3,440	-
Total restricted funds	33,103	399,400	(434,538)	3,440	1,405
Unrestricted funds					
General funds	94,118	347,315	(345,369)	(3,440)	92,624
Total unrestricted funds	94,118	347,315	(345,369)	(3,440)	92,624
Total funds	127,221	746,715	(779,907)	-	94,029

Purposes of restricted funds

Citizenship project	The Citizenship project comprises an independent inquiry into citizenship reforms together with events in Southampton and Edinburgh which brought together 'new' and 'old' citizens to discuss citizenship and what should change.
Core restricted	Grants restricted to core funding.
The Together Initiative	British Future's work on the Decade of Reconnection led to funds being received to support the initiative, and to assist with the creation of a coalition resulting in the Together campaign.
Talk Together	British Future was funded by the Together Coalition, of which it is a founding member, to conduct the Talk Together project, a nationwide public conversation about what divides our society and what could bring us together. Talk Together comprised a series of online research groups with members of the public, a series of nationally-representative polls conducted by ICM and an open online survey. British Future conducted analysis of the findings and wrote an interim report and final report for the project.

British Future

Notes to the financial statements

For the year ended 31 March 2021

13. Movements in funds (continued)

Prior period comparative	At 1 April 2019 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2020 £
Restricted funds					
After May report	-	5,000	(12,635)	7,635	-
Citizenship project	-	51,300	(28,420)	-	22,880
Core restricted	-	186,800	(186,800)	-	-
Families Together project	(1,450)	14,316	(12,866)	-	-
Other project income	-	4,000	(4,000)	-	-
Post General Election polling	-	8,150	(24,274)	16,124	-
Together campaign	-	35,000	(24,777)	-	10,223
Total restricted funds	(1,450)	304,566	(293,772)	23,759	33,103
Unrestricted funds					
General funds	66,919	276,885	(225,927)	(23,759)	94,118
Total unrestricted funds	66,919	276,885	(225,927)	(23,759)	94,118
Total funds	65,469	581,451	(519,699)	-	127,221

14. Related party transactions

Sam Jacobs, a trustee of British Future, is also a trustee of The Together Initiative, a company limited by guarantee (no. 12707290) and a registered charity (no. 1193060). During the year, British Future made a grant of £187,423 (2020: £nil) to The Together Initiative. The amount owing at year end was £126,160 (2020: £nil).