

THE BRIGHTSIDE TRUST

England & Wales · Charity number 1159993

Details

Status Registered

Legal form CIO

Registered 2015-01-19

Register [View on the Charity Commission register](#)

Contact

Address Canopi
Brightside
82 Tanner Street
London
SE1 3GN

Phone 020 3096 8120

Email info@brightside.org.uk

Website <https://brightside.org.uk/>

Activities

Objects: THE CHARITY'S OBJECTS ARE, FOR THE PUBLIC BENEFIT:(A)THE ADVANCEMENT OF EDUCATION;(B)TO ADVANCE IN LIFE AND PROVIDE RELIEF TO THOSE IN NEED BY REASON OF YOUTH, FINANCIAL HARDSHIP OR OTHER DISADVANTAGE, IN PARTICULAR, BUT WITHOUT LIMITATION BY:(I)PROVIDING SUPPORT AND ACTIVITIES WHICH DEVELOP THEIR SKILLS, CAPACITIES AND CAPABILITIES TO ENABLE THEM TO PARTICIPATE IN SOCIETY AS MATURE AND RESPONSIBLE INDIVIDUALS; AND (II)RELIEVING UNEMPLOYMENT.

Activities: Brightside is an education charity. We create, develop and manage online mentoring projects, and other online tools and resources, to connect, inform and inspire more young people to achieve their full potential through education.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£753,361	£998,775	£1,293,418	16
2024-03-31	£852,164	£1,077,408	£1,528,607	17
2023-03-31	£804,343	£1,215,434	£1,598,034	23
2022-03-31	£1,128,307	£1,164,154	£2,097,715	20
2021-03-31	£1,013,470	£3,215,521	£2,077,351	14

Trustees

Name	Role	Appointed
Oliver Borm	Chair	2021-03-01
Christopher Paul Goodwill		2023-02-01
Dr Andrew Ross		2022-06-01
Gordon Montgomery		2024-04-01
Jade Azim		2022-06-01
Natasha Lucas		2025-08-01
Sarah Dauncey		2021-03-01
Stephen Lancaster		2026-03-02
Tayyeb Shah		2024-04-01

THE BRIGHTSIDE TRUST

England & Wales - Charity number 1159993

Accounts

**The Brightside
Trust**

**Annual Report and Financial
Statements**

31 March 2025

Charity Registration Number
1159993

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Reference and administrative information

Trustees	J Azim O Borm S Dauncey R Edmunds C Goodwill A Ross P Sidhu S Lancaster – appointed 01.08.25 N Lucas – appointed 01.08.25 G Montgomery T Shah
Address	Canopi Brightside 82 Tanner Street London SE1 3GN
Charity registration number	1159993
Auditor	Buzzacott Audit LLP 130 Wood Street London EC2V 6DL
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE
Bankers	NatWest Bank plc 180 London Road Hazel Grove Stockport SK7 4DH

The Trustees present their report together with the audited financial statements for the year ended 31 March 2025. The financial statements have been prepared in accordance with the accounting policies set out on pages 22 - 24.

The Financial Statements comply with the Charities Act 2011, the Trust Deed, and 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).

Structure, Governance and Management

The Brightside Trust was incorporated as a Charitable Incorporated Organisation (CIO) on 19 January 2015 (registered charity number 1159993). The CIO became an active charity on 1 April 2015 when all the activities, assets and liabilities of the former charity, the Brightside Trust, (registered charity number 1080243) (the legacy charity) were transferred to the CIO.

The aim of the Brightside Trust is to provide the young people that need it most with knowledge, support and connections so that they can make confident and informed decisions enabling them to fulfil their potential.

The trustees are appointed by the Board and serve for a period of four or five years after which period they may put themselves forward for re-appointment with the decision to re-appoint resting with the Chair of Trustees. The trust deed provides for a minimum of three trustees. The aim of the board is to recruit trustees with skills and experience from several complementary areas including education, government and the corporate sector. The trustees meet quarterly to discuss the board strategy and areas for activity including review of major projects, reserves and risk management. Day to day management of the Trust is delegated to a chief executive with supervision from the Chair and Treasurer. The trustees who have served during the year are set out on page 4.

New trustees are given a detailed induction briefing by the organisation and are also required to attend training at Brightside where they are briefed by members from all levels of the organisation and are given a demonstration of the mentoring platform.

Pay and remuneration of the Chief Executive is set by the Chair of Trustees in consultation with the Board of Trustees. The pay and remuneration of the Senior Management Team is set by the Chief Executive in consultation with the Chair of Trustees.

Key management personnel

The trustees consider that the Chief Executive and the Chief Operating Officer comprise the key management personnel and are responsible for leading and running the charity on a day-to-day basis.

The trustees give their time freely and no trustee received remuneration in the year.

The pay of the employees is reviewed annually by the trustees through a review of annual pay policy and budgets.

Risk management

The trustees have examined the major strategic, operational and reputational risks which the charity faces and confirm processes have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. In addition, the senior management team review key risks on a regular basis to ensure these are mitigated.

The main financial risk faced by the charity is income volatility due to current market conditions across all our markets. The higher education market continues to be in flux due to the regulatory changes in Access & Participation (AP). Universities were asked to renew their AP plans based on a new risk-based approach introduced by the Office for Students. This, alongside an increased take up of tutoring-based interventions and a subsequent financial crisis in the HE sector, has seen a reduction in partnerships in our historical market. The current geo-political climate has affected all markets and as a result the charity sector (including Brightside) is more reliant on Trusts & Foundations. The increased volume of applications to Trusts & Foundations has by extension increased the competition as charities seek to continue their work in a challenging economic climate.

The charity's ability to meet its mission and fulfil the obligations within contracted partnerships relies heavily on the performance and security of its bespoke online mentoring platform. This requires robust risk management around our technology including data security. The Technology sub-committee adds another layer of risk management, providing robust challenge and access to expertise to ensure any strategic investment in our technology has a clear business case before it reaches the full board for sign off. Given the increased risk around cyber-attacks and the speed in which technology is developing the trustees have reviewed our reserves policy to protect the long-term viability of the organisation through a focussed designation of reserves.

The charity also faces volatility in equity markets and investment markets due to wider economic conditions. Liquidity risk is anticipated to be low as the charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer-term yield and total return and historic studies of quoted financial instruments have shown that volatility in any particular five-year period will normally be corrected.

The trustees' report 31 March 2025

Trustees

The trustees who served throughout the year and to the date of approval of these financial statements, were as follows:

J Azim
O Borm
S Dauncey
R Edmunds
C Goodwill
B Hunt – sabbatical 1st August 2025
G Montgomery – appointed 1st April 2024
S Payne – resigned 1st January 2025
A Ross
P Sidhu – maternity leave 1st August 2025
T Shah – appointed 1st April 2024
S Lancaster – appointed 1st August 2025
N Lucas – appointed 1st August 2025

Trustees' responsibilities statement

The trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 and regulations made thereunder requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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 set out in the 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)
- ◆ make judgements and estimates that are reasonable and prudent; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, and regulations made thereunder and the provisions for 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.

In so far as the trustees are aware:

- ◆ there is no relevant audit information of which the charity'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.

Objectives, activities, performance and future plans

Why we exist

Brightside's vision is a society where everyone has equal access to opportunities, regardless of their background. To this end, we exist to help young people make confident and informed decisions about their future.

Our mission is to help young people facing barriers to education or career success, by harnessing the positive power of technology. We have more than twenty years' experience working at the intersection of social mobility, informed decision-making, and online mentoring.

The UK has one of the worst track records for social mobility in the developed world. The socio-economic situation you are born into impacts your attainment, your progression into higher education, your chance of completing a university course and the career and salary you secure.

These difficulties are compounded by regional inequalities. The Sutton Trust's report, *The Opportunity Index: The Geography of Opportunity and Social Mobility*¹, highlights the stark reality that social mobility is unevenly distributed across the country, and a young person's local area clearly influences their access to education, career pathways, and future earnings. A 2019 report by IPPR North² found that only the US and South Korea had greater regional disparities.

When geography is combined with additional barriers such as class or ethnicity, the effect on young people's social mobility can be profound. The Sutton Trust highlights that "free school meals pupils are furthest behind" and emphasizes that child poverty in certain areas of the UK creates additional obstacles, making it harder for young people to access education and career opportunities.³

These patterns point to a national skills shortage affecting communities across the country. Impetus' Youth Jobs Gap⁴ research shows that multiple layers of disadvantage—economic, educational, and geographical—are making it increasingly difficult for young people to stay in education, employment, and/or training. In today's climate of rising living costs and stretched public services, many individuals and families are facing unprecedented challenges. Inequality is widening, and the need for targeted, meaningful support has never been more urgent.

¹ [The Opportunity Index: The Geography of Opportunity and Social Mobility in England, May 2025.](#)

² [Divided and Connected: Regional Inequalities in the North, the UK and the Developed World – State of the North 2019, November 2019.](#)

³ See footnote 1

⁴ [Youth Jobs Gap: Exploring Compound Disadvantage, May 2025.](#)

Objectives, activities, performance and future plans (continued)

Why we exist (continued)

Online mentoring provides personalised, flexible support, helping young people build the confidence and skills they need to succeed. Our mentoring platform uses bespoke software to meet young people wherever they are. It removes geography, time, and travel barriers for young people enabling them to find role models who will champion them and help them build the skills needed to make confident and informed decisions about their future pathways.

We understand how to support young people through different complexities, and we remain deeply committed to helping them thrive. That's why we're continuing to invest in mentoring—because we have seen the difference it makes.

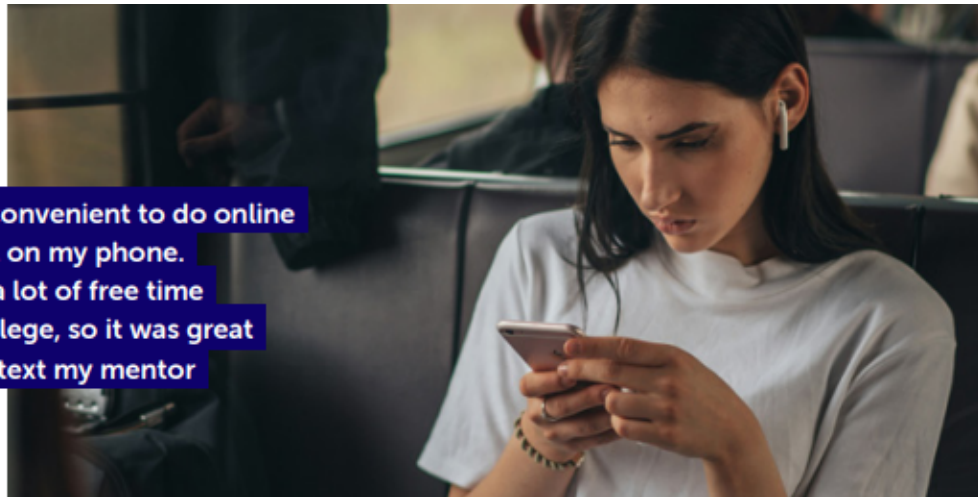
Our data backs this up. We have clear & robust evidence that our mentoring programmes offer young people from less advantaged backgrounds the support, motivation and confidence to succeed. Our mentees achieve 4.8 grades higher than their demographic peers and (even when accounting for prior attainment), are twice as likely to access higher education and crucially twice as likely to complete the course they have chosen.

And now we are building on this success, by using our technology to scale what works and to strengthen the support we offer. In 2025, we are launching Brightside 7.0—our next generation online mentoring platform. With enhanced personalisation, Brightside 7.0 offers even more tailored support, giving young people the tools, confidence, and connections to shape their futures.

“

It was really convenient to do online mentoring all on my phone. I didn't have a lot of free time alongside college, so it was great to be able to text my mentor on the bus.

- ELISHA



Overview

2024/25 was a transitional year for Brightside, a moment of change.

Over the past four years, we have made strategic investments of more than £500,000 from our own reserves to develop our technology and programmes with schools. In addition, we benefited from a £300,000 grant from the AKO Foundation to support our work with schools and £78,000 from The Twilio Foundation to support enhancements to our technology.

Our investment in these areas has put us in a strong position to respond effectively to the ongoing financial challenges facing the charity sector, together with the changing needs and expectations of our young people and volunteers. Accordingly, we have focused our offering and income models on three key products all serving our mission:

1. Brightside mentoring: An online mentoring offer available to any young person facing barriers to confident & informed decision making. We reach young people via communities, social media, and schools and look to grow this offer regionally through grant funding.
2. Partnership model: Working with mission aligned businesses, charities, and higher education institutions to provide them with high quality infrastructure & project management to deliver online mentoring, thereby helping our partners achieve their goals in fair access & social impact.
3. Spotlight: A co-created, multi-year, schools-based programme which helps schools to meet the Gatsby Benchmarks for good career guidance and provides volunteering opportunities for businesses wishing to sponsor a school's participation.

The kids love the ease of it being online, especially the shy ones. There's a real mix of students who ask a lot of questions... it gives them a taster of having a mentor, an experience of thinking what to ask and being obliged to reply. The ones who ask loads learn a lot about what they might want to do in the future, and it's often something they've never thought of doing.



ANDY HAMMOND
Career Lead at St Thomas
the Apostle School

As ever, we listened to young people. They wanted our technology to be more dynamic, feel more personalised and so, with the help of a generous grant from cloud communication specialists Twilio, we undertook phase one of a three phase strategy: 'Brightside 7.0: Transformation through automation'.

Key Activity

In 2024/25 we reached 6,796 young people through online mentoring, worked with eight schools through our Spotlight Programme and launched our first Brightside Mentoring provision through the Propel New Deal for Young Londoners fund.

Generation Worry

At Brightside we are committed to lifting the voices of young people, so schools, charities and policy makers understand them and respond effectively.

In 2024/25 we analysed the open responses to the question 'Do you have any concerns or worries about your next steps after school or college?'. We asked 11,243 young people from 26 schools across Years 7 to 13 this question before they undertook our Spotlight programme. 8,011 young people responded and of these over 50% told us they were worried:



51%

were worried about the future

24%

were worried about making decisions

14%

cited money as a concern

We sought to share these findings with press, policy makers and our networks through our first campaign.

The concerns expressed by our young people underline the need for our mentoring services, which have been designed to help them gain confidence in decision-making as well as providing them with relevant information.

Brightside Mentoring:

In January 2024 we were successful in applying to the New Deal for Young Londoners who agreed to fund us to find and support 1,250 16–19-year-olds from low-income families with our structured and supported mentoring. This was the green light to find young people through multiple channels and raise the profile on mentoring. The endemic issue of absenteeism which has been felt across schools since the pandemic is particularly prevalent in those from underserved backgrounds. This led us to try new ways of reaching young people, including our first Transport for London campaign across 3 underground stations and targeted ad campaigns through Google & meta channels.

Brightside 7.0: Transformation through automation

In response to the needs and expectations of our mentees and volunteers we have developed a three-year technology strategy. This strategy aims to free our team's time from manual administrative tasks so they can concentrate on improving our delivery models and supporting mentoring pairs. If successful, this strategy will provide an innovative user experience to mentees and volunteers focussed on goal setting and progression towards our theory of change outcomes. Our mentoring will be structured, consistently high quality and yet remain personalised to the needs of individual mentees.

In 2024/25 we were grateful to Twilio for seeing our vision and supporting us with a generous grant to design and develop phase one of this strategy. This new user experience is launching and rolling out across 2025.

The reciprocal power of mentoring

In 2024/25, Brightside matched 6,796 mentees to mentors. We could not have done this without the work of all our exceptional volunteers. And it's not just our young mentees who benefit from mentoring.

A survey of 240 Brightside mentors found:



Financial review

The charity received income of £753,361 (2024 £852,164) in the year to 31 March 2025, a decrease of 11.5% on the previous year. Expenditure, including direct project expenditure and running costs, totalled £998,775 (2024 £1,077,408) a decrease of 7%. Trustees recognised expenditure reductions made once again this year as responsible management of budgets in the circumstances. The decrease in income is not surprising given this was seen as a transition year into a more grant focused income model and new delivery models. The Finance & Risk sub-committee will continue to monitor progress through the year.

2025/26 Forecast



In 2023/24 we set out to transform Brightside so that we can reach up to 30,000 young people each year with high quality, high impact support, empowering them to believe in themselves and transform society for the better.

The current funding environment is challenging for all charities, and Brightside is no exception. In particular, the financial crisis in the Higher Education sector has made some of our traditional sources of income more difficult to secure. This development, while unwelcome, has vindicated our decision to diversify our income streams.

Nonetheless, our core strategy and emphasis on our three key products remains unchanged and we have developed and refined our grant application strategy in response to the pressures on our historic sources of funding.

We continue to invest in our technology, as the enabler to supporting young people wherever they are in the UK. It is crucial to our success that young people are highly satisfied with our programmes. To this end, our new platform and app launched with live users in April 2025, and we will aim to move all programmes to this new improved user experience by January 2026. We aim to undertake our next impact reports after a twelve-month hiatus and will present our findings to the wider world before the end of 2025.

Governance

The five board subcommittees continue to add value (Finance & Risk, Impact & Measurement, People, Technology, and a Youth Board liaison committee). They are providing the space and time to challenge and support the executive team in the important areas for the organisation and allowing the trustees to bring their skills and experience to benefit Brightside throughout the year. The subcommittees report to the full board each quarter, where key decisions are made.

The trustees' report 31 March 2025

In view of the challenges we face in securing funding, we decided to establish a new subcommittee to support our income generation efforts. To this end, following an external recruitment drive, we appointed Stephen Lancaster, a highly experienced business leader, to join the board on 1 August 2025 and lead the new subcommittee.

In January 2025, our Chair, Stuart Payne, stood down and retired from the Board. As the result of an external and internal recruitment process conducted by a panel of four trustees, and in consultation with the executive team, we appointed existing Trustee Oliver Borm as Chair for a term of five years.

Additionally, Laura Gray announced her decision to step away from Brightside after five years as CEO and a total of fourteen years with the charity. She will leave in January 2026. We appointed an external recruitment agency specialising in social enterprises to run our selection process and are pleased to report that we have hired a new CEO to join us in March 2026. We will formally announce the appointment in January 2026. To cover the two-month gap in leadership, Stephen Lancaster has agreed to step down temporarily as a trustee and act as interim CEO.

Treasurer Rose Edmunds was due to stand down in January 2026 after seven years as a trustee, followed by five as Treasurer. Following a recruitment process inviting applications both internally and externally, Natasha Lucas, an external candidate with a wealth of financial experience, has been appointed as her successor and joined the board on 1 August 2025. In view of the changes to Brightside's senior leadership team, the Board has decided to extend Rose's term to 31 March 2026 to facilitate a smooth handover.

Investment policy

Our investment objective is to preserve the value of capital in real terms, to provide funds for future activities. Our investment is managed by Rothchild Private Fund Management and comprises a holding of Accumulation Units in the Glenhuntley Portfolio Trust. We have confidence in our investment Manager's abilities to look after our funds wisely in ever changing financial markets and are satisfied with their current performance, which we review quarterly.

Reserves

It is the policy of the charity to maintain unrestricted reserves at a level which equates to between six- and nine-months' expenditure. The trustees consider that this level will ensure the short-term financial sustainability of the organisation and that existing obligations to beneficiaries can be met, irrespective of changes to income. In addition, this includes sufficient cash to fund any short-term working capital requirements.

The charity has four restricted reserves at year end totalling £53,307, for the grant funding from Twilio Foundation, Greater London Authority, John Lewis and The National Lottery. Additionally, there are £400,000 of designated reserves. This leaves net unrestricted funds of £840,111 (2024: £916,077). The trustees are satisfied that the reserves are above the minimum target.

Forecasts have been prepared which disclose that the group has significant headroom to operate with existing funds for the next 12 months. In view of this the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements. For this reason, they continue to adopt the going concern basis in the financial statements.

Fundraising

During the year, Brightside introduced a donate button onto the website. Having performed an internal review of the fundraising activity, which adhered to the Funding Regulator's best practice, and in view the very small amount of donations received, Brightside decided that at this point formal registration with the Funding Regulator was not required. Should the size or number of the donations increase, this position will be reviewed.

Where donations from individuals are received, the charity protects personal data and would never sell data or swap data with other organisations and undertake to react to and investigate any complaints regarding fundraising activities and to learn from them and improve the service.

Volunteers

The Trust relies heavily on the willingness of volunteers to provide our online mentoring. The Trust recruits, inducts, trains and supports volunteers to mentor young people on the online platform. We would like to take this opportunity to thank all our volunteers who are critical to our success and the impact we have on the young people we work with.

Employees

The Brightside Trust is an equal opportunities employer and applies objective criteria to assess merit. It ensures that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are reviewed to ensure that individuals are selected, promoted and treated based on their relevant merits and abilities. All employees are given equal opportunity and, where appropriate and possible, special training to enable them to progress both within and outside the organisation. The Trust is committed to a programme of action to make this policy effective.

The trustees' report 31 March 2025

Public benefit

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning the future activities of the Trust. These are shown above in the section 'Objectives, activities, performance and future plans'.

Approval

Approved by the trustees and signed on their behalf by:

A handwritten signature in cursive script that reads "R Edmunds".

R Edmunds

Trustee

Date: 13 November 2025

Independent auditor's report to the trustees of The Brightside Trust

Opinion

We have audited the accounts of The Brightside Trust (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 other information comprises the information included in the annual report, including the trustees' report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

Other information (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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.

Auditor's responsibilities for the audit of the accounts

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts 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.

Auditor's responsibilities for the audit of the accounts (continued)

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 accounts.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- ◆ We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are the Charities SORP FRS 102, the Charities Act 2011, employment legislation and Health & Safety regulations.
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of minutes from trustee meetings and papers provided to the trustees.

We assessed the susceptibility of the charity's financial statements to material misstatements, including how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ Identifying and assessing the design and implementation of controls in place to prevent and detect fraud;
- ◆ Challenging assumptions and judgments made by management and the trustees in its significant accounting estimates;
- ◆ Identifying and testing journal entries, in particular adjustments made at the year-end for financial statement preparation; and
- ◆ Assessing the extent of compliance with relevant laws and regulations by reviewing correspondence with regulators and legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be 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 accounts 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 31 March 2025

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Buzzacott Audit LLP

Buzzacott Audit LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date : 14 November 2025

Buzzacott Audit LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Statement of financial activities Year to 31 March 2025

	Notes	Year ended 31 March 2025 Unrestricted funds £	Year ended 31 March 2025 Restricted funds £	Year ended 31 March 2025 Total funds £	Year ended 31 March 2024 Unrestricted funds £	Year ended 31 March 2024 Restricted funds £	Year ended 31 March 2024 Total funds £
Income from:							
Grants and donations	1	964	151,785	152,749	114	195,993	196,107
Charitable activities	1	591,595	—	591,595	623,574	28,436	652,010
Investments	1	9,017	—	9,017	4,047	—	4,047
Total income		601,576	151,785	753,361	627,735	224,429	852,164
Expenditure on:							
Charitable activities:	2						
Direct projects and administrative support		(767,535)	(231,240)	(998,775)	(837,015)	(240,393)	(1,077,408)
Total expenditure		(767,535)	(231,240)	(998,775)	(837,015)	(240,393)	(1,077,408)
Net expenditure before gains/(losses) on investments		(165,959)	(79,455)	(245,414)	(209,280)	(15,964)	(225,244)
Gains/(losses) on investments	3	10,225	—	10,225	155,817	—	155,817
Net (deficit) for the year and net movement in funds before transfers		(155,734)	(79,455)	(235,189)	(53,463)	(15,964)	(69,427)
Transfers between funds	11	—	—	—	(20,000)	20,000	—
Net movement in funds		(155,734)	(79,455)	(235,189)	(73,463)	4,036	(69,427)
Total funds brought forward		1,395,845	132,762	1,528,607	1,469,308	128,726	1,598,034
Total funds carried forward	11	1,240,111	53,307	1,293,418	1,395,845	132,762	1,528,607

There are no other recognised gains and losses other than those shown in the Statement of Financial Activities.

All income and expenditure in each of the above two years derive from continuing activities.

Balance sheet 31 March 2025

	Notes	2025 £	2024 £
Fixed assets			
Investments	3	568,306	1,199,217
Intangible assets	5	128,404	133,146
Tangible fixed assets	6	2,040	2,156
		698,750	1,334,519
Current assets			
Cash at bank and in hand		817,112	301,719
Debtors	7	121,289	199,576
		938,401	501,295
Creditors: amounts falling due within one year	8	(343,733)	(307,207)
Net current assets		594,668	194,088
Net assets		1,293,418	1,528,607
Charity funds			
Unrestricted funds		1,240,111	1,395,845
Restricted funds		53,307	132,762
Total funds	11	1,293,418	1,528,607

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

R M Edmunds

R Edmunds

Trustee

Date: 13 November 2025

Charity number: 1159993

Statement of cash flows 31 March 2025

	2025 £	2024 £
Net cash used in operating activities		
Net (deficit) for the year	(235,189)	(69,427)
(Gain) on changes in fair value of investments	(10,225)	(155,817)
Decrease in debtors	78,287	47,764
Increase/(decrease) in creditors	36,526	(63,468)
Depreciation	2,449	5,232
Amortisation	67,742	72,577
	<u>(60,410)</u>	<u>(163,139)</u>
Cash flow from investing activities		
Proceeds from sale of investments	641,136	305,035
Purchase of tangible fixed assets	(2,333)	—
Purchase of intangible fixed assets	(63,000)	(63,000)
Net cash provided by investing activities	<u>575,803</u>	<u>242,035</u>
Change in cash and cash equivalents	515,393	78,896
Cash and cash equivalents brought forward	301,719	222,823
Cash and cash equivalents carried forward	<u>817,112</u>	<u>301,719</u>

There is no difference between the change in cash and cash equivalents and the change in net debt. The group has no borrowings, finance lease obligations or foreign exchange rate movements.

Analysis of cash and cash equivalents

	2025 £	2024 £
Cash at bank and in hand	817,112	301,719
Total cash and cash equivalents	<u>817,112</u>	<u>301,719</u>

Legal information

The Brightside Trust is a Charitable Incorporated Organisation (Charity no. 1159993) and the registered office is Canopi, Brightside, 82 Tanner Street, London, SE1 3GN.

The Trust delivers public benefit by providing support to young people as set out in the report of the trustees.

Basis of preparation

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

The Brightside Trust 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.

The financial statements are presented in sterling (£).

Going concern

Forecasts have been prepared which disclose that the entity has significant headroom to operate with existing funds for the next 12 months. In view of this the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements. For this reason they continue to adopt the going concern basis in the financial statements.

Income

Income is recognised once the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. Where income is received before any work is undertaken amounts are included within deferred income, and the income is then released in line with the delivery of the contracts.

Donations

Donations comprises all income from grants and donations. In accordance with the Charities SORP (FRS 102), volunteer time, is not recognised the financial statements. Donations under Gift Aid together with the associated income tax recoveries are credited as income in the year in which they are received.

Charitable income

Charitable income represents amounts receivable by the charity for providing online mentoring services which are aligned with the charity's objectives.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Allocation of overhead and support costs

All overhead and support costs have been allocated to charitable activities.

Fixed asset investment

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value, using closing mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposals are included in the Statement of Financial Activities.

Income from investments is included, together with the related tax credit, in the year in which it is receivable.

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

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation. Depreciation is charged on computers which are written off on a straight line basis over their estimated useful life of three years.

Intangible fixed assets

Intangible fixed assets are stated at historic cost less accumulated amortisation. Amortisation is charged on a straight-line basis for software over an estimate useful life of four years.

Debtors

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

Financial instruments

The trust 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.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Restricted funds comprise monies received for, or their use restricted to, a specific purpose or contributions subject to donor imposed conditions

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.

Significant judgements and key areas of estimation uncertainty

The preparation of financial statements requires the use of certain critical accounting estimates and judgements. It also requires the trustees to exercise judgement in the process of applying accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including an expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the trustees' best knowledge of the amount, event or actions, actual results may differ from those estimates.

Areas requiring the use of estimates and critical judgements that may impact on the charity's financial activities and financial position include estimates of useful economic lives of intangible fixed assets, specifically the online mentoring platform developed by The Trust as well as which developer costs should be capitalised and which should be expensed.

1. Income

	2025 Unrestricted £	2025 Restricted £	2025 Total £	2024 Total £
Charitable activities				
Online Mentoring activity	591,595	—	591,595	652,010
Grants and donations				
Grants	—	151,785	151,785	195,993
Donations	964	—	964	114
	964	151,785	152,749	196,107
Investments				
Bank interest	9,017	—	9,017	4,047
Total income for the year	601,576	151,785	753,361	852,164

2. Expenditure on charitable activities

	2025 £	2024 £
Direct project expenses	141,091	103,280
Payroll expenses – direct project work	423,838	504,882
Support costs		
Payroll expenses – administrative	236,863	274,270
Travel & accommodation	8,547	14,033
Overhead and support costs – charitable activities	115,401	126,058
Office Costs	6,191	10,672
IT/ Phone/ Internet Costs	13,959	14,179
Other Services	40,385	15,959
Auditors' remuneration (governance costs):		
Audit services	12,500	13,650
Tax compliance services	—	425
Other services	—	—
Expenditure before grants payable	998,775	1,077,408
Total expenditure	998,775	1,077,408

Included across “payroll expenses” and “support costs” is £nil relating to the Spotlight restricted funds (2024 - £209,768) and £149,491 relating to the Propel fund (2024 - £30,625).

2. Expenditure on charitable activities (continued)

Payroll costs have been allocated between direct project work and administrative support in the ratio 65:35 respectively. This is based on an analysis of the payroll for the financial year and the allocation of each role between project work and administrative work. It is in line with the apportionments from prior year.

3. Investments

	Fixed asset investments 2025 £
Opening market value	1,199,217
Disposal of investments at opening market value	(643,213)
Gain on the market value of investments	12,302
At 31 March 2025 at market value	568,306
Realised loss on disposal of investment assets	(2,077)
Unrealised gain on changes in the market value of investments	12,302
	10,225
Analysis of investments	
Unit trust	568,306
	<i>Fixed asset investments 2024 £</i>
<i>Opening market value</i>	<i>1,348,435</i>
<i>Disposal of investments at opening market value</i>	<i>(295,479)</i>
<i>Loss in the market value of investments</i>	<i>146,261</i>
<i>At 31 March 2024 at market value</i>	<i>1,199,217</i>
<i>Realised loss on disposal of investment assets</i>	<i>9,556</i>
<i>Unrealised loss on changes in the market value of investments</i>	<i>146,261</i>
	<i>155,817</i>
<i>Analysis of investments</i>	
<i>Unit trust</i>	<i>1,199,217</i>

Investments are stated at market value. The Unit Trust is managed by Rothschild and contains a mixture of investments including equities, gifts and cash. All investments are traded in quoted public markets.

The significance of financial instruments to the ongoing financial sustainability of the CIO is considered in the financial review and investment policy and performances sections of the Trustees' Annual Report.

4 Tax

As a Charitable Incorporated Organisation, The Brightside Trust is exempt from Corporation Tax.

5 Intangible fixed assets

	Software £
Cost	
At 1 April 2024	822,135
Additions	63,000
At 31 March 2025	885,135
Amortisation	
At 1 April 2024	688,989
Provided in the year	67,742
At 31 March 2025	756,731
Net book value	
At 31 March 2025	128,404
Net book value	
At 31 March 2024	133,146

The Brightside Trust used an external development agency to build a new online mentoring platform in 2015, to support the activities of the charity. This went live in September 2016 and the group has continued to invest in the development of this online platform since this date.

6 Tangible fixed assets

	Computers £	Total £
Cost		
At 1 April 2024	22,269	22,269
Additions	2,333	2,333
At 31 March 2025	<u>24,602</u>	<u>24,602</u>
Depreciation		
At 1 April 2024	20,113	20,113
Charge for the year	2,449	2,449
At 31 March 2025	<u>22,562</u>	<u>22,562</u>
Net book value		
At 31 March 2025	<u>2,040</u>	<u>2,040</u>
Net book value		
At 31 March 2024	<u>2,156</u>	<u>2,156</u>

7. Debtors

	2025 £	2024 £
Trade debtors	60,953	83,483
Prepayments	7,925	7,391
Accrued income	52,411	108,702
	<u>121,289</u>	<u>199,576</u>

8. Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	18,707	22,336
Other taxes and social security	43,617	31,835
Accruals	41,620	26,651
Other creditors	9,549	7,710
Deferred income	230,240	218,675
	<u>343,733</u>	<u>307,207</u>

9. Deferred income

	2025 £	2024 £
Deferred Income Brought Forward	218,675	124,357
Deferred in year	230,240	218,675
Release in year	(218,675)	(124,357)
Deferred Income Carried Forward	<u>230,240</u>	<u>218,675</u>

10. Financial instruments

	2025 £	2024 £
Financial assets		
Financial assets measured at amortised cost	930,476	493,904
Financial assets measured at fair value through profit or loss	568,306	1,199,217
Financial liabilities		
Financial liabilities measured at amortised cost	(60,327)	(45,040)

Financial assets measured at amortised cost comprise cash, trade debtors and accrued income.

Financial assets measured at fair value comprise fixed asset investments with a quoted market price.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

11. Staff costs and trustees' remuneration

	2025 £	2024 £
Salaries	602,966	674,187
Termination Payments	—	23,481
Social security costs	30,549	62,306
Pension costs	18,543	19,178
	652,058	779,152
The average weekly number of employees during the year	16	17

One employee received remuneration amounting to more than £60,000 (two employees in 2024) with one in the bracket of £70,001 - £80,000 (2024 – two employees in the bracket of £60,001 - £70,000).

The trustees do not receive remuneration from the charity.

No trustees received payments or reimbursements of expenses from the charity in the year (2024: nil).

The total aggregate remuneration (including employer's pension and national insurance contributions) of key management personnel during the year was £128,430 (2024: £148,337). In addition to the trustees, who are not remunerated, key management are the CEO and the COO.

12. Funds and reserves

	Un-restricted funds £	Designated Funds	Restricted funds					Total funds £
		Operational funds £	Twilio £	Spotlight £	Propel £	John Lewis £	National Lottery £	
As at 1 April 2023	1,209,750	259,558	—	128,726	—	—	—	1,598,034
Transfers In	—	318,019	—	20,000	—	—	—	338,019
Transfers Out	(318,019)	(20,000)	—	—	—	—	—	(338,019)
Income	627,735	—	77,887	61,042	85,500	—	—	852,164
Expenditure	(759,206)	(77,809)	—	(209,768)	(30,625)	—	—	(1,077,408)
Gain on Investment	155,817	—	—	—	—	—	—	155,817
As at 1 April 2024	916,077	479,768	77,887	—	54,875	—	—	1,528,607
Transfers In	79,768	—	—	—	—	—	—	79,768
Transfers Out	—	(79,768)	—	—	—	—	—	(79,768)
Income	601,576	—	—	—	114,000	19,840	17,945	753,361
Expenditure	(767,356)	—	(67,742)	—	(149,491)	(14,007)	—	(998,776)
Gain on Investment	10,225	—	—	—	—	—	—	10,225
As at 31 March 2025	840,111	400,000	10,145	—	19,384	5,833	17,945	1,293,418

Unrestricted funds comprise those funds which the Trustees may use in accordance with the Charitable objectives.

The charity has unrestricted funds of £840,111 (2024: £916,077) which is around 8 months operational expenditure of the group.

There were also designated funds of £400,000 at 31 March 2025. During the year, trustees reviewed and designated them to a Technology, Security and Development reserve to support long term sustainability. At year end these funds comprise:

- ◆ £400,000 for Technology and Advancement funds

There are four restricted funds in the year:

- ◆ A restricted fund from Twilio: A grant to deliver phase one of our three year development strategy: Transformation through automation
- ◆ A restricted fund from the Greater London Authority (GLA): The Propel Fund has the ambitious aim of providing 100,000 young people from low-income families across Greater London with mentors. We are one of the recipients of this fund, helping the GLA achieve its target as part of the New Deal for Young Londoners
- ◆ A restricted fund from the National Lottery: An Awards for All grant was provided to enable us to support one hundred young carers with mentoring
- ◆ A restricted fund from John Lewis: This fund has supported the development of a joint programme between Brightside and the Sussex Learning Network to provide mentoring and on campus events for care experienced young people

13. Contingent liabilities

There were no contingent liabilities to disclose at 31 March 2025 or 31 March 2024.

14. Capital commitments

he group and the parent charity has no capital commitments at 31 March 2025 (2024: £nil).

15. Related party transactions

Details of transactions with trustees are set out in note 10.

Trustees consider that The Brightside Trust had no other transactions during the year which need to be disclosed as related party transactions.

THE BRIGHTSIDE TRUST

England & Wales - Charity number 1159993

Accounts

**The Brightside
Trust**

**Annual Report and Financial
Statements**

31 March 2024

Charity Registration Number
1159993

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Reference and administrative information

Trustees	J Azim O Borm S Dauncey R Edmunds C Goodwill B Hunt S Payne A Ross P Sidhu
Address	CAN Mezzanine 7-14 Great Dover Street London SE1 4YR
Charity registration number	1159993
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE
Bankers	NatWest Bank plc 180 London Road Hazel Grove Stockport SK7 4DH

The Trustees present their report together with the audited financial statements for the year ended 31 March 2024. The financial statements have been prepared in accordance with the accounting policies set out on pages 20 to 22.

The Financial Statements comply with the Charities Act 2011, the Trust Deed, and 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).

Structure, Governance and Management

The Brightside Trust was incorporated as a Charitable Incorporated Organisation (CIO) on 19 January 2015 (registered charity number 1159993). The CIO became an active charity on 1 April 2015 when all the activities, assets and liabilities of the former charity, the Brightside Trust, (registered charity number 1080243) (the legacy charity) were transferred to the CIO.

The aim of the Brightside Trust is to provide the young people that need it most with knowledge, support and connections so that they can make confident and informed decisions enabling them to fulfil their potential.

Brightside Social Enterprise Limited was incorporated on 11 September 2015 and operated as the charity's trading subsidiary until 31 March 2022, when its assets and liabilities were transferred to the CIO, for consideration at book value, leaving the cash and an intercompany loan balance owed to the parent charity. The intercompany loan was settled through cash transfer post 31 March 2022 and Brightside Social Enterprise was struck off on 9 January 2024.

The above transactions were carried out following charity law advice from Bates Wells about the structure of the group, which was costly for the organisation to administer. In the light of this advice and with Bates Wells' support, the Trustees concluded that the subsidiary's activities were exclusively charitable and furthered the objects of the charity. Therefore, the trustees decided to close down the subsidiary, bringing significant time and cost savings for the organisation.

The trustees are appointed by the Board and serve for a period of four or five years after which period they may put themselves forward for re-appointment with the decision to re-appoint resting with the Chair of Trustees. The trust deed provides for a minimum of three trustees. The aim of the board is to recruit trustees with skills and experience from a number of complementary areas including education, government and the corporate sector. The trustees meet quarterly to discuss the board strategy and areas for activity including review of major projects, reserves and risk management. Day to day management of the Trust is delegated to a chief executive with supervision from the Chair and Treasurer. The trustees who have served during the year are set out on page 1.

New trustees are given a detailed induction briefing by the organisation and are also required to attend training at Brightside where they are briefed by members from all levels of the organisation and are given a demonstration of the mentoring platform.

Structure, Governance and Management (continued)

Pay and remuneration of the Chief Executive is set by the Chair of Trustees in consultation with the Board of Trustees. The pay and remuneration of the Senior Management Team is set by the Chief Executive in consultation with the Chair of Trustees.

Key management personnel

The trustees consider that the Chief Executive and the Chief Operating Officer comprise the key management personnel and are responsible for leading and running the charity on a day-to-day basis.

The trustees give their time freely and no trustee received remuneration in the year.

The pay of the employees is reviewed annually by the trustees through a review of annual pay policy and budgets.

Risk management

The trustees have examined the major strategic, operational and reputational risks which the charity faces and confirm processes have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. In addition, the senior management team review key risks on a regular basis to ensure these are mitigated.

The main financial risk faced by the charity is income volatility due to current market conditions across all our markets. The higher education market continues to be in flux due to the regulatory changes in Access & Participation (AP). All regulated universities have been required to review and renew their AP plans in light of a new risk-based approach by the Office for Students (OfS). This process alongside tightened budgets has unsettled university partnerships. Our Spotlight programme is struggling to secure funding from schools, with schools' budgets squeezed. In general, a challenging economic environment and the ongoing cost-of-living crisis present risks for the organisation.

The charity's ability to meet its mission and fulfil the obligations within contracted partnerships relies heavily on the performance and security of its bespoke online mentoring platform. This requires robust risk management around our technology including data security. The Technology sub-committee adds another layer of risk management, providing robust challenge and access to expertise to ensure any strategic investment in our technology has a clear business case before it reaches the full board for sign off. Given the increased risk around cyber-attacks and the speed in which technology is developing the trustees have reviewed our reserves policy to protect the long-term viability of the organisation through a focussed designation of reserves.

The charity also faces volatility in equity markets and investment markets due to wider economic conditions. Liquidity risk is anticipated to be low as the charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer-term yield and total return and historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

Trustees

The trustees who served throughout the year and to the date of approval of these financial statements, were as follows:

J Azim
O Borm
S Dauncey
R Edmunds
C Goodwill
B Hunt
R Jones – resigned 3 July 2023
G Montgomery – appointed 1st April 2024
S Payne
A Ross
O Siddiqa- resigned on 13 September 2023
P Sidhu
T Shah – appointed 1st April 2024

Trustees' responsibilities statement

The trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 and regulations made thereunder requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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 set out in the 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);
- ◆ make judgements and estimates that are reasonable and prudent; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, and regulations made thereunder and the provisions for 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.

In so far as the trustees are aware:

- ◆ there is no relevant audit information of which the charity'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.

Objectives, activities, performance and future plans

Why we exist

Our vision is a society where everyone has equal access to opportunities, regardless of their background. To this end, we exist to help young people make confident and informed decisions about their future.

The UK has one of the worst track records for social mobility in the developed world. The socio-economic situation you are born into affects your attainment, your progression into higher education, your chance of completing a university course and the career and salary you secure.

These inequalities have worsened since the pandemic with the gap between rich and poor widening for the first time in ten years. Research conducted in 2023 by The Sutton Trust through the COVID Social Mobility and Opportunities Study (COSMOS) found the following concerning trends in 16-year olds:¹

- Disadvantaged high attainers had GCSE grades on average more than three quarters of a grade lower per subject than the grades of other high attainers, a full grade lower than those from the most affluent backgrounds, and are almost twice as likely to drop out of the top third of attainment at GCSE.
- 37% of disadvantaged high attainers feel they have fallen behind their classmates as a result of the pandemic's disruption, compared to 22% of other high attainers.

Even in 2023, 62% of people in professional jobs in England are from privileged backgrounds, compared to 39% from working class backgrounds. The most advantaged pupils were more than twice as likely to go into higher education as the most disadvantaged pupils in the UK.²

And in another report ³published by COSMOS looking at the effect of the pandemic on young people's future plans and aspirations they found:

- Experiences of the COVID-19 pandemic had a strong bearing on young people's future plans. Of all those who had made education plans, almost two-thirds (64%) reported that their educational plans had changed (at least to some extent) because of the pandemic. Career plans were only slightly less likely to have been affected: three in five (60%) of those who had made plans had changed them as a result. Females, young people from disadvantaged family backgrounds, and those attending state comprehensive schools were more likely than their counterparts to report that they had changed their education and career plans due to the pandemic.

¹<https://www.suttontrust.com/wp-content/uploads/2023/06/Social-Mobility-The-Next-Generation-Lost-Potential-Age-16.pdf>

² <https://lordslibrary.parliament.uk/report-of-the-social-mobility-commission-social-mobility-and-the-pandemic/>

³ <https://cosmostudy.uk/publications/future-plans-and-aspirations>

- Disadvantaged students were less likely to receive information, advice and guidance (IAG) during the pandemic. Those who attended independent schools were significantly more likely to have accessed formal IAG activities: 86% of this group accessed at least one type of IAG activity while at school, compared to just under seven in ten (69%) across state comprehensive schools as a whole, and 67% at the schools with the highest levels of free school meal (FSM) eligibility.
- This cohort of young people continues to have large inequalities in their educational aspirations. Disadvantaged students were less likely to be planning to apply for university, had less confidence about getting into university, and were more likely to plan to do a vocational qualification. While 98% of participants who were privately educated and 92% of those who attended state grammar schools reported that they were likely to apply for university, only 68% of those attending state comprehensive schools say they plan to do so.

At Brightside, we don't think this is fair, or the best use of the talent and skills of young people, and we believe we can be part of the solution.

At Brightside, we believe everyone should flourish and utilise their skills and talent to achieve their full potential, so we're working hard to close this gap, by helping young people to make confident and informed decisions about their education and career pathways.

Following a report into the increased inequalities since COVID Pearson made three recommendations including 'the development of a high-level targeted mentoring scheme, the continued promotion of the vocational route as a valuable pathway, and a joined-up system which provides access to advice, career information and a way to match their skills with the opportunities on offer.'⁴

At Brightside, we have clear & robust evidence that our mentoring programmes offer young people from less advantaged backgrounds the support, motivation and confidence to succeed. Our mentees achieve 4.8 grades higher than their demographic peers (and even when accounting for prior attainment), are twice as likely to access higher education and crucially twice as likely to complete the course they have chosen.

'Mentoring has opened me up to more options of what I would want to do and opened new doors for me' **Mentee, Spotlight Programme**

'My mentor was a big supporter and she had faith in me. I truly would not have been as successful as I was with applying to universities and achieving the grades I did, had it not been for the help my mentor had given me. I was truly able to grow and develop not only as a student but as a person through the mentoring experience.' **Mentee, Ashurst Programme**

⁴<https://www.pearson.com/content/dam/one-dot-com/one-dot-com/uk/documents/campaigns/InequalityReport/Full-Pearson-Covid-Inequalities-Report-.pdf>.

Overview

2023 provided a showcase moment for Brightside in the form of [our 20th anniversary](#). We spent the year celebrating by highlighting the impact of mentoring through powerful stories, bringing our robust impact findings to life. The pinnacle of our year of celebration was at an in-person awards ceremony, attended by over one hundred friends of Brightside. The highlight of the evening was hearing from our Youth Board who provided insights into their experiences and were strong advocates of the impact of role models in their lives.

It was a proud moment for all involved with Brightside past and present. Over the last 20 years Brightside has supported over 150,000 young people, 60% of whom were from the least advantaged regions of the country and through our innovative technology they have exchanged over four million messages.



On a more sombre note, the challenges created by the cost of living crisis continued and we needed to make some difficult decisions, particularly around the scaling of our Spotlight programme. Nonetheless, we were delighted to end the year strongly, securing two large grants one of which will enable us to develop Brightside Mentoring and support 1250 young people across Greater London and the second offers the opportunity to transform our online platform through automation.

Key Activity

Alongside our 20th anniversary celebrations we have continued to deliver high quality, high impact programmes. In 2023/24 we have supported 5,658 young people through 125 projects. Project & partnership highlights include:

Reaching Wider: We launched the Welsh language version of our app and platform in partnership with Reaching Wider, allowing young people in Wales to communicate in their preferred language. The launch of this programme culminated in an event at the Senedd Cymru where we were invited to speak. This innovation has also enabled us to work in Welsh National College, Coleg Cymraeg Cenedlaethol which works with further education colleges, universities, organisations that offer apprenticeships, and employers to create opportunities to train and study in Welsh. They aim to create a Welsh and bilingual education and training system that is open to everyone and to develop a bilingual workforce

The Graduate Engineer Employment Programme (GEEP): We successfully tendered as part of consortia to deliver the mentoring arm of this flagship Royal Academy of Engineering Programme. The programme has recruited over 200 undergraduate students from backgrounds underrepresented in the engineering sector to undertake a twelve-month course which includes skills workshops, networking and placement opportunities all supported by a mentor working in their field of study.

Spotlight: This year represented the final year of the grant investment into Spotlight and despite the need to scale back Spotlight in light of budgetary constraints we are proud to have achieved the following over the last three years:

- Supported 42 schools with our embedded programme
- Analysed over 16,000 responses to our Spotlight survey, providing us (and their schools) with invaluable insights into the needs and gaps in young people's career aspirations
- Delivered the Career game to over 3,500 year 7-9 pupils
- Matched over 2,500 young people with inspirational role models



Our work would be impossible without the thousands of volunteers who continue to dedicate their time and energy to provide high quality mentoring to young people across the country. We are grateful for their commitment and will seek to improve their experience through investment in our technology and annual review of their feedback as way of thanks.

Finally we remain thankful to our partners who continue to choose to collaborate with us and grateful to have received grant funding from the Twilio Foundation, AKO Foundation, the Greater London Authority and The 29th May 1961 Charitable Trust.

Financial review

The charity received income of £852,164 (2023: £804,343) in the year to 31 March 2024, a increase of 5.9% on the previous year. Expenditure, including direct project expenditure and running costs, totalled £1,077,408 (2023: £1,215,434) a decrease of 11.4%. Trustees recognised expenditure reductions made in year against the slight increase on income as responsible management of budgets in the circumstances. As the charity continues to transition to new income and delivery models the trustees agreed that more substantial expenditure cuts would be damaging to the mission. The Finance & Risk sub-committee will continue to monitor progress through the year.

2024/25 Forecast

By 2028 we aim to have transformed Brightside so that we can reach 30,000 young people each year with high quality, high impact support, empowering them to believe in themselves and transform society for the better.

To meet this ambitious goal, we are making fundamental changes to our approach both programmatically and financially, and the changes initiated in 2023/24 will continue at pace in 2024/2025:

1. Brightside mentoring: We will deliver a proof of concept mentoring programme across greater London to support young people directly.
2. Spotlight: We will continue to evolve our schools programme, adapting it to meet the needs of schools and their pupils in areas.
3. Automation through transformation: We will continue to develop our technology, incorporating video mentoring into our pedagogy and transforming user experience into a more personalised, focused journey.
4. Campaign to highlight the concerns of young people: We will use the voices of the young people we have supported through Spotlight to tell those in places of influence about the areas they worry about most.

While the external environment is likely to continue to impact our short-term projections, in 24/25 we continue to seek out new and innovative ways to build Brightside's long-term ability to support young people.

Governance

The five board subcommittees continue to add value (Finance & Risk, Impact & Measurement, People, Technology, and a Youth Board liaison committee). They are providing the space and time to challenge and support the executive team in the important areas for the organisation and allowing the trustees to bring their skills and experience to benefit Brightside throughout the year. The subcommittees report to the full board each quarter, where key decisions are made.

In January 2025, our current Chair, Stuart Payne, will stand down and retire from the Board. Trustees have delegated recruitment to a panel of four trustees, chaired by Treasurer Rose Edmunds and in consultation with the exec team. In line with best practice a full and fair recruitment process is under way, inviting applications both internally and externally.

Investment policy

Our investment objective is to preserve the value of capital in real terms, in order to provide funds for future activities. Our investment is managed by Rothchild Private Fund Management, and comprises a holding of Accumulation Units in the Glenhuntingly Portfolio Trust. We have confidence in our investment Manager's abilities to look after our funds wisely in ever changing financial markets, and are satisfied with their current performance which we review quarterly.

Reserves

It is the policy of the charity to maintain unrestricted reserves at a level which equates to between six and nine months unrestricted expenditure. The trustees consider that this level will ensure the short-term financial sustainability of the organisation and that existing obligations to beneficiaries can be met, irrespective of changes to income. In addition, this includes sufficient cash to fund any short-term working capital requirements.

The charity has two restricted reserves at year end totalling £132,762, for the grant funding from Twilio Foundation and the Greater London Authority. Additionally, there are £479,768 of designated reserves. This leaves net unrestricted funds of £916,077 (2023: £1.209m). The trustees are satisfied that the reserves are above the minimum target.

Forecasts have been prepared which disclose that the group has significant headroom to operate with existing funds for the next 12 months. In view of this the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements. For this reason they continue to adopt the going concern basis in the financial statements.

Fundraising

During the year, Brightside did not actively solicit donations from the public and was therefore not registered with the Fundraising Regulator. As the charity examines new avenues for fundraising, the trustees will review the position regularly and ensure that the appropriate due diligence is followed to ensure compliance with appropriate fund-raising codes of practice.

Should donations from individuals be received, the charity would aim to protect personal data and would never sell data or swap data with other organisations and undertake to react to and investigate any complaints regarding fundraising activities and to learn from them and improve the service.

Volunteers

The Trust relies heavily on the willingness of volunteers to provide our online mentoring. The Trust recruits, inducts, trains and supports volunteers to mentor young people on the online platform. We would like to take this opportunity to thank all of our volunteers who are critical to our success and the impact we have on the young people we work with.

Employees

The Brightside Trust is an equal opportunities employer and applies objective criteria to assess merit. It ensures that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunity and, where appropriate and possible, special training to enable them to progress both within and outside the organisation. The Trust is committed to a programme of action to make this policy effective.

Public benefit

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning the future activities of the Trust. These are shown above in the section 'Objectives and activities'.

Approval

Approved by the trustees and signed on their behalf by:

R M Edmunds

R Edmunds

Trustee

Date: 8th November 2024

Independent auditor's report to the trustees of The Brightside Trust

Opinion

We have audited the accounts of The Brightside Trust (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statements of cash flow, principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 we do not express any form of assurance conclusion thereon.

Other information (continued)

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.

Matters on which we are required to report by exception

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

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of the trustees

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

In preparing the accounts, 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Auditor's responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- ◆ We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are the Charities SORP FRS 102, the Charities Act 2011, employment legislation and Health & Safety regulations.
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of minutes from trustee meetings and papers provided to the trustees.

We assessed the susceptibility of the charity's financial statements to material misstatements, including how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ Identifying and assessing the design and implementation of controls in place to prevent and detect fraud;
- ◆ Challenging assumptions and judgments made by management and the trustees in its significant accounting estimates;
- ◆ Identifying and testing journal entries, in particular adjustments made at the year-end for financial statement preparation; and
- ◆ Assessing the extent of compliance with relevant laws and regulations by reviewing correspondence with regulators and legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be 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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

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

13 November 2024

Statement of financial activities Year to 31 March 2024

	Notes	Year ended 31 March 2024 Unrestricted funds £	Year ended 31 March 2024 Restricted funds £	Year ended 31 March 2024 Total funds £	Year ended 31 March 2023 Unrestricted funds £	Year ended 31 March 2023 Restricted funds £	Year ended 31 March 2023 Total funds £
Income from:							
Grants and donations	1	114	195,993	196,107	767	60,000	60,767
Charitable activities	1	623,574	28,436	652,010	736,557	6,039	742,596
Investments	1	4,047	—	4,047	980	—	980
Total income		627,735	224,429	852,164	738,304	66,039	804,343
Expenditure on:							
Charitable activities:	2						
Direct projects and administrative support		(837,015)	(240,393)	(1,077,408)	(950,845)	(264,589)	(1,215,434)
Total expenditure		(837,015)	(240,393)	(1,077,408)	(950,845)	(264,589)	(1,215,434)
Net expenditure before gains/(losses) on investments		(209,280)	(15,964)	(225,244)	(212,541)	(198,550)	(411,091)
Gains/(losses) on investments	3	155,817	—	155,817	(88,590)	—	(88,590)
Net (deficit) for the year and net movement in funds before transfers		(53,463)	(15,964)	(69,427)	(301,131)	(198,550)	(499,681)
Transfers between funds	11	(20,000)	20,000	—	(45,921)	45,921	—
Net movement in funds		(73,463)	4,036	(69,427)	(347,052)	(152,629)	(499,681)
Total funds brought forward		1,469,308	128,726	1,598,034	1,816,360	281,355	2,097,715
Total funds carried forward	11	1,395,845	132,762	1,528,607	1,469,308	128,726	1,598,034

There are no other recognised gains and losses other than those shown in the Statement of Financial Activities.

All income and expenditure in each of the above two years derive from continuing activities.

Balance sheet 31 March 2024

	Notes	2024 £	2023 £
Fixed assets			
Investments	3	1,199,217	1,348,435
Intangible assets	5	133,146	142,723
Tangible fixed assets	6	2,156	7,388
		1,334,519	1,498,546
Current assets			
Cash at bank and in hand		301,719	222,823
Debtors	7	199,576	247,340
		501,295	470,163
Creditors: amounts falling due within one year	8	(307,207)	(370,675)
Net current assets		194,088	99,488
Net assets		1,528,607	1,598,034
Charity funds			
Unrestricted funds		1,395,845	1,469,308
Restricted funds		132,762	128,726
Total funds	11	1,528,607	1,598,034

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

R M Edmunds

R Edmunds

Trustee

Date: 08 November 2024

Charity Number: 1159993

Statement of cash flows 31 March 2024

	2024 £	2023 £
Net cash used in operating activities		
Net (deficit) for the year	(69,427)	(499,681)
(Gain)/loss on changes in fair value of investments	(155,817)	88,590
Decrease/(increase) in debtors	47,764	(32,622)
(Decrease) in creditors	(63,468)	(23,082)
Depreciation	5,232	5,851
Amortisation	72,577	71,942
	<u>(163,139)</u>	<u>(389,002)</u>
Cash flow from investing activities		
Proceeds from sale of investments	305,035	103,884
Purchase of tangible fixed assets	—	(2,683)
Purchase of intangible fixed assets	(63,000)	(73,500)
Net cash provided by investing activities	<u>242,035</u>	<u>27,701</u>
Change in cash and cash equivalents	78,896	(361,301)
Cash and cash equivalents brought forward	222,823	584,124
Cash and cash equivalents carried forward	<u>301,719</u>	<u>222,823</u>

There is no difference between the change in cash and cash equivalents and the change in net debt. The group has no borrowings, finance lease obligations or foreign exchange rate movements.

Analysis of cash and cash equivalents

	2024 £	2023 £
Cash at bank and in hand	301,719	222,823
Total cash and cash equivalents	<u>301,719</u>	<u>222,823</u>

Legal information

The Brightside Trust is a Charitable Incorporated Organisation (Charity no. 1159993) and the registered office is CAN Mezzanine, 7-14 Great Dover Street, London, SE1 4YR.

The Trust delivers public benefit by providing support to young people as set out in the report of the trustees.

Basis of preparation

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

The Brightside Trust 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.

The financial statements are presented in sterling (£).

Going concern

Forecasts have been prepared which disclose that the entity has significant headroom to operate with existing funds for the next 12 months. In view of this the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements. For this reason they continue to adopt the going concern basis in the financial statements.

Income

Income is recognised once the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. Where income is received before any work is undertaken amounts are included within deferred income, and the income is then released in line with the delivery of the contracts.

Donations

Donations comprises all income from grants and donations. In accordance with the Charities SORP (FRS 102), volunteer time, is not recognised the financial statements. Donations under Gift Aid together with the associated income tax recoveries are credited as income in the year in which they are received.

Charitable income

Charitable income represents amounts receivable by the charity for providing online mentoring services which are aligned with the charity's objectives.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Allocation of overhead and support costs

All overhead and support costs have been allocated to charitable activities.

Fixed asset investment

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value, using closing mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposals are included in the Statement of Financial Activities.

Income from investments is included, together with the related tax credit, in the year in which it is receivable.

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

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation. Depreciation is charged on computers which are written off on a straight line basis over their estimated useful life of three years.

Intangible fixed assets

Intangible fixed assets are stated at historic cost less accumulated amortisation. Amortisation is charged on a straight-line basis for software over an estimate useful life of four years.

Debtors

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

Financial instruments

The trust 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.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Restricted funds comprise monies received for, or their use restricted to, a specific purpose or contributions subject to donor imposed conditions

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.

Significant judgements and key areas of estimation uncertainty

The preparation of financial statements requires the use of certain critical accounting estimates and judgements. It also requires the trustees to exercise judgement in the process of applying accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including an expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the trustees' best knowledge of the amount, event or actions, actual results may differ from those estimates.

Areas requiring the use of estimates and critical judgements that may impact on the charity's financial activities and financial position include estimates of useful economic lives of intangible fixed assets, specifically the online mentoring platform developed by The Trust.

Notes to the financial statements 31 March 2024

1. Income

	2024 Unrestricted £	2024 Restricted £	2024 Total £	2023 Total £
Charitable activities				
Online Mentoring activity	623,574	28,436	652,010	742,596
Grants and donations				
Grants	—	195,993	195,993	60,000
Donations	114	—	114	767
	114	195,993	196,107	60,767
Investments				
Bank interest	4,047	—	4,047	980
Total income for the year	627,735	224,429	852,164	804,343

Included within “Online mentoring activity” is £nil (2023: £1,085) of income from the government Kickstart Scheme.

2. Expenditure on charitable activities

	2024 £	2023 £
Direct project expenses	103,280	124,787
Payroll expenses – direct project work	504,882	578,328
Support costs		
Payroll expenses – administrative	274,270	311,407
Travel & accommodation	14,033	15,856
Overhead and support costs – charitable activities	126,058	127,646
Office Costs	10,672	24,184
IT/ Phone/ Internet Costs	14,179	16,621
Other Services	15,959	—
Auditors’ remuneration (governance costs):		
Audit services	13,650	13,560
Tax compliance services	425	1,200
Other services	—	1,845
Expenditure before grants payable	1,077,408	1,215,434
Total expenditure	1,077,408	1,215,434

Included across “payroll expenses” and “support costs” is £209,768 relating to the Spotlight restricted funds (2023 - £264,589) and £30,625 relating to the Propel fund (2023 - £nil).

2. Expenditure on charitable activities (continued)

Payroll costs have been allocated between direct project work and administrative support in the ratio 65:35 respectively. This is based on an analysis of the payroll for the financial year and the allocation of each role between project work and administrative work. It is in line with the apportionments from prior year.

3. Investments

	Fixed asset investments 2024 £
Opening market value	1,348,435
Disposal of investments at opening market value	(295,479)
Gain on the market value of investments	146,261
At 31 March 2024 at market value	1,199,217
Realised gain on disposal of investment assets	9,556
Unrealised gain on changes in the market value of investments	146,261
	155,817
Analysis of investments	
Unit trust	1,199,217
	<i>Fixed asset investments 2023 £</i>
<i>Opening market value</i>	<i>1,540,909</i>
<i>Disposal of investments at opening market value</i>	<i>(109,595)</i>
<i>Loss in the market value of investments</i>	<i>(82,879)</i>
<i>At 31 March 2023 at market value</i>	<i>1,348,435</i>
<i>Realised loss on disposal of investment assets</i>	<i>(5,711)</i>
<i>Unrealised loss on changes in the market value of investments</i>	<i>(82,879)</i>
	<i>(88,590)</i>
<i>Analysis of investments</i>	
<i>Unit trust</i>	<i>1,348,435</i>

Investments are stated at market value. The Unit Trust is managed by Rothschild and contains a mixture of investments including equities, gifts and cash. All investments are traded in quoted public markets.

The significance of financial instruments to the ongoing financial sustainability of the CIO is considered in the financial review and investment policy and performances sections of the Trustees' Annual Report.

4 Tax

As a Charitable Incorporated Organisation, The Brightside Trust is exempt from Corporation Tax.

5 Intangible fixed assets

	Software £
<hr/>	
Cost	
At 1 April 2023	759,135
Additions	63,000
At 31 March 2024	<u>822,135</u>
Amortisation	
At 1 April 2023	616,412
Provided in the year	72,577
At 31 March 2024	<u>688,989</u>
Net book value	
At 31 March 2024	<u>133,146</u>
Net book value	
At 31 March 2023	<u>142,723</u>

The Brightside Trust used an external development agency to build a new online mentoring platform in 2015, to support the activities of the parent charity and the subsidiary company. This went live in September 2016 and the group has continued to invest in the development of this online platform since this date.

6 Tangible fixed assets

	Computers £	Total £
Cost		
At 1 April 2023	22,269	22,269
At 31 March 2024	<u>22,269</u>	<u>22,269</u>
Depreciation		
At 1 April 2023	14,881	14,881
Charge for the year	5,232	5,232
At 31 March 2024	<u>20,113</u>	<u>20,113</u>
Net book value		
At 31 March 2024	<u>2,156</u>	<u>2,156</u>
Net book value		
At 31 March 2023	<u>7,388</u>	<u>7,388</u>

7. Debtors

	2024 £	2023 £
Trade debtors	83,483	173,677
Prepayments	7,391	10,608
Accrued income	108,702	63,055
	<u>199,576</u>	<u>247,340</u>

8. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	22,336	17,303
Other taxes and social security	31,835	73,753
Accruals	26,651	25,416
Other creditors	7,710	9,379
Deferred income	218,675	244,824
	<u>307,207</u>	<u>370,675</u>

9. Financial instruments

	2024 £	2023 £
Financial assets		
Financial assets measured at amortised cost	493,904	459,555
Financial assets measured at fair value through profit or loss	1,199,217	1,348,435
Financial liabilities		
Financial liabilities measured at amortised cost	(45,040)	(42,719)

Financial assets measured at amortised cost comprise cash, trade debtors and accrued income.

Financial assets measured at fair value comprise fixed asset investments with a quoted market price.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

10. Staff costs and trustees' remuneration

	2024 £	2023 £
Salaries	674,187	787,745
Termination Payments	23,481	—
Social security costs	62,306	79,831
Pension costs	19,178	22,159
	779,152	889,735
The average weekly number of employees during the year	17	23

Two employees received remuneration amounting to more than £60,000 (two employees in 2023) with two in the bracket of £60,001 - £70,000 (2023 – one employee in the bracket of £60,001 - £70,000 and one in the bracket £70,001 - £80,000).

£23,481 of termination payments were made to 3 members of staff.

The trustees do not receive remuneration from the charity.

No trustees received payments or reimbursements of expenses from the charity in the year (2023: Three trustees received payments or reimbursements of expenses from the charity totalling £712).

The total aggregate remuneration (including employer's pension and national insurance contributions) of key management personnel during the year was £148,337 (2023: £168,020). In addition to the trustees, who are not remunerated, key management are the CEO and the COO.

11. Funds and reserves

	Un-restricted funds £	Designated Funds	Restricted funds			Total funds £
		Operational funds £	Twilio £	Digital Impact funds/ Propel £	Spotlight funds £	
As at 1 April 2022	1,509,860	306,500	—	14,079	267,276	2,097,715
Transfers In	(145,000)	85,000	—	—	60,000	—
Transfers Out	74,079	(60,000)	—	(14,079)	—	—
Income	738,304	—	—	—	66,039	804,343
Expenditure	(878,903)	(71,942)	—	—	(264,589)	(1,215,434)
Loss on Investment	(88,590)	—	—	—	—	(88,590)
As at 1 April 2023	1,209,750	259,558	—	—	128,726	1,598,034
Transfers In	—	318,019	—	—	20,000	338,019
Transfers Out	(318,019)	(20,000)	—	—	—	(338,019)
Income	627,735	—	77,887	85,500	61,042	852,164
Expenditure	(759,206)	(77,809)	—	(30,625)	(209,768)	(1,077,408)
Gain on Investment	155,817	—	—	—	—	155,817
As at 31 March 2024	916,077	479,768	77,887	54,875	—	1,528,607

Unrestricted funds comprise those funds which the Trustees may use in accordance with the Charitable objectives.

The charity has unrestricted funds of £916,077 (2023: £1.2m) which is around 9 months operational expenditure of the group.

There were also designated funds of £479,768 at 31 March 2024. During the year, trustees reviewed and designated them to a Technology, Security and Development reserve to support long term sustainability. At year end these funds comprise:

- ◆ £400,000 for Technology and Advancement funds
- ◆ £79,768 to build video mentoring capability in FY24/25

There are three restricted funds in the year:

- ◆ A restricted fund from Twilio
- ◆ A restricted fund from the Greater London Authority
- ◆ The Spotlight restricted fund has a balance of £nil at year end.

12 Contingent liabilities

There were no contingent liabilities to disclose at 31 March 2024 or 31 March 2023.

13 Capital commitments

The group and the parent charity has no capital commitments at 31 March 2024 (2023: £nil).

14 Related party transactions

Details of transactions with trustees are set out in note 10.

Trustees consider that The Brightside Trust had no other transactions during the year which need to be disclosed as related party transactions.

THE BRIGHTSIDE TRUST

England & Wales - Charity number 1159993

Accounts

**The Brightside
Trust**

**Annual Report and Financial
Statements**

31 March 2023

Charity Registration Number
1159993

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Reference and administrative information

Trustees	J Azim O Borm S Dauncey R Edmunds C Goodwill B Hunt S Payne A Ross P Sidhu
Address	CAN Mezzanine 7-14 Great Dover Street London SE1 4YR
Charity registration number	1159993
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Solicitors	Bates Wells 10 Queen Street Place London EC4R 1BE
Bankers	Natwest Bank plc 180 London Road Hazel Grove Stockport SK7 4DH

The Trustees present their report together with the audited financial statements for the year ended 31 March 2023. The financial statements have been prepared in accordance with the accounting policies set out on page 19 to 21.

The Financial Statements comply with the Charities Act 2011, The Trust Deed, and 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).

Structure, Governance and Management

The Brightside Trust was incorporated as a Charitable Incorporated Organisation (CIO) on 19 January 2015 (registered charity number 1159993). The CIO became an active charity on 1 April 2015 when all the activities, assets and liabilities of the former charity the Brightside Trust (registered charity number 1080243) (the legacy charity) were transferred to the CIO.

The aim of the Brightside Trust is to provide the young people that need it most with knowledge, support and connections so that they can make confident and informed decisions enabling them to fulfil their potential.

Brightside Social Enterprise Limited was incorporated on 11 September 2015 and operated as the charity's trading subsidiary until 31 March 2022, when its assets and liabilities were transferred to the CIO, for consideration at book value, leaving the cash and an intercompany loan balance owed to the parent charity. The intercompany loan was settled through cash transfer post 31 March 2022 and Brightside Social Enterprise will be struck off shortly.

The above transactions were carried out following charity law advice from Bates Wells about the structure of the group, which was costly for the organisation to administer. In the light of this advice and with Bates Well's support, the Trustees concluded that the subsidiary's activities were exclusively charitable and furthered the objects of the charity. Therefore the trustees decided to close down the subsidiary, bringing significant time and cost savings for the organisation.

The transfer of activity from Brightside Social Enterprise Limited to The Brightside Trust is a reconstruction that has been treated as a merger for accounting purposes.

The trustees are appointed by the Board and serve for a period of four or five years after which period they may put themselves forward for re-appointment with the decision to re-appoint resting with the Chair of trustees. The trust deed provides for a minimum of three trustees. The aim of the board is to recruit trustees with skills and experience from a number of complementary areas including education, government and the corporate sector. The trustees meet quarterly to discuss the board strategy and areas for activity including review of major projects, reserves and risk management. Day to day management of the Trust is delegated to a chief executive with supervision from the chair and treasurer. The trustees who have served during the year are set out on page 1.

New trustees are given a detailed induction briefing by the organisation and are also required to attend training at Brightside where they are briefed by members from all levels of the organisation and are given a demonstration of the mentoring platform.

Structure, Governance and Management (continued)

Pay and remuneration of the Chief Executive is set by the Chair of Trustees in consultation with the Board of Trustees. The pay and remuneration of the Senior Management Team is set by the Chief Executive in consultation with the Chair of Trustees.

Key management personnel

The trustees consider that the Chief Executive and the Chief Operating Officer comprise the key management personnel and are responsible for leading and running the charity on a day to day basis.

The trustees give their time freely and no trustee received remuneration in the year.

The pay of the employees is reviewed annually by the trustees through a review of annual pay policy and budgets.

Risk management

The trustees have examined the major strategic, operational and reputational risks which the charity faces and confirm processes have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. In addition, the senior management team review key risks on a regular basis to ensure these are mitigated.

The main financial risk faced by the charity is income volatility due to current market conditions across all our markets. The higher education market is in flux due to the regulatory changes in Access & Participation (AP). The Office for Students appointed a new Director of Fair Access and Participation in January 2022 who is changing the guidance on university Access and Participation Plans (APPs) and launched a consultation on a new approach to APPs in Autumn 2022. These changes mean Universities are reviewing their AP priorities and there is a risk this may adversely affect Brightside. Our Spotlight programme is struggling to secure funding from schools, with schools' budgets squeezed. In general, the worsening economic environment and the cost-of-living crisis presents a risk for the organisation.

The charity also faces volatility in equity markets and investment markets due to wider economic conditions. Liquidity risk is anticipated to be low as the charity's investments are mainly traded in markets with good liquidity and high trading volumes. The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The charity manages investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer-term yield and total return and historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

The trustees' report 31 March 2023

Trustees

The trustees who served throughout the year and to the date of approval of these financial statements, were as follows:

J Azim – appointed 1 June 2022
J Beard – resigned 1 April 2022
O Borm
S Dauncey
R Edmunds
C Goodwill – appointed 1 February 2023
B Hunt – appointed 11 April 2022
R Jones – resigned 3 July 2023
S Payne
A Ross
O Siddiqi- resigned on 13 September 2023
P Sidhu

Trustees' responsibilities statement

The trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 and regulations made thereunder requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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 set out in the 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);
- ◆ make judgements and estimates that are reasonable and prudent; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, and regulations made thereunder and the provisions for 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.

In so far as the trustees are aware:

- ◆ there is no relevant audit information of which the charity'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.

Objectives, activities, performance and future plans

Why we exist

In the UK, access to opportunities is often determined by where a person grew up (or what their parents do) than what they are capable of doing. We exist to change this.

For a young person to reach their potential, guidance, behaviours and attitudes are as important as academic performance. Guidance is crucial when young people are deciding what qualifications, work experience, courses and institutions will lead to a fulfilling and successful career.

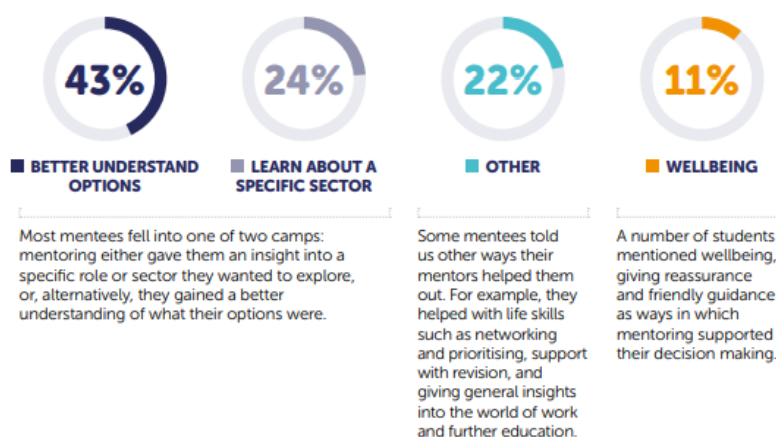
[UCAS have found](#) that two in five students believe more information and advice would have led to them making better choices, and the [Department for Education](#) found that only 7% of 18–19-year-olds surveyed had any careers support in the last 12 months.

The Careers & Enterprise Company [found strong links](#) between exposure to career information, contact with employers and positive employment destinations, particularly with those eligible for free school meals. Yet the Big Career Conversation indicates the gap has widened between advantaged and disadvantaged children. As school budgets and resources remain squeezed, crucial provision such as career guidance is deprioritised. The young people who miss out most are those who do not have the home support or finance to seek advice elsewhere.

The power of mentoring shines through in the responses from mentees in our end of programme surveys, particularly to the question 'How did your mentor support you?'.

This year, we looked at over 500 qualitative responses and uncovered a range of answers. The results can be seen in the image to the right from the 2023 impact report.

HOW MENTORS SUPPORTED THEIR MENTEES THIS YEAR



All this data shows how crucial mentoring is. It's so personalised: someone is right there to answer any specific questions. If a mentee wants reassurance, advice about transitioning from one phase of education to another, or ideas for what they could do, there's a Brightside mentor who can help them personally.

Overview

Once again, our annual impact report gave us proof of the power of online mentoring. Our data consistently shows that young people who receive our intervention are more likely both to access higher education and to successfully complete their degree course. This year we also undertook research which showed that receiving our mentoring before 16, positively affects GCSE results by 4.8 grades.

However, as predicted, the cost of living crisis proved challenging and as a result we were unable to work with as many partners or reach as many young people as the previous year. In particular, this has had an impact on our Spotlight programme, with many schools struggling to afford their contribution to costs. Despite these challenges, we are proud of the continued high-quality, high-impact mentoring the team have delivered in a turbulent external environment. We recognise that this turbulence is felt more deeply by young people and so we continue to strive towards supporting as many young people as possible to negotiate their education and career pathways.

Key Activity

Programmes: We worked with 59 partners to deliver 135 projects which supported nearly 8,000 young people across the country. Previous investment in developing our technology to increase engagement has been realised fully this year and we see highest engagement (over 80%) when programmes utilise these tools.

2022 IN NUMBERS



1: '2022 in numbers' is from the 2023 impact report. Engagement and programme data is from the 2022 calendar year. Mentee and mentor feedback is from projects that ended in the 2021/22 academic year.

Key Activity (continued)

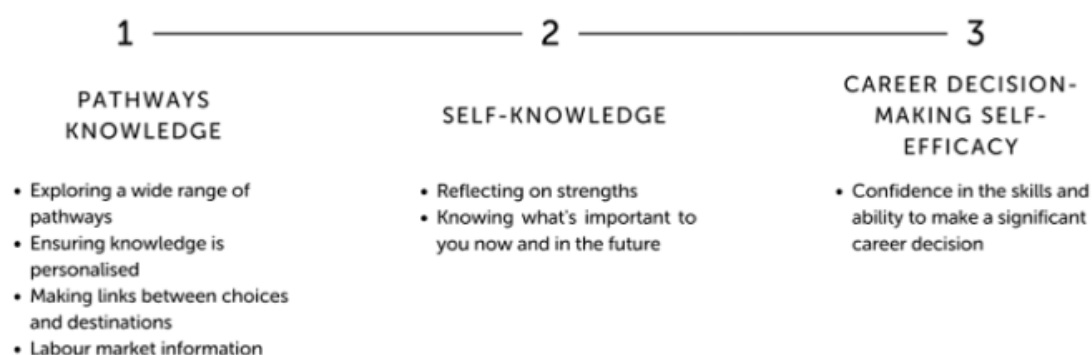
Spotlight Programme: Our Spotlight Programme grew to 20 participating schools and we began adapting the delivery model to meet the needs of schools and provide an efficient pedagogy on which we can further scale this initiative.

Youth Voice: This year saw the introduction of a more structured and embedded approach to youth voice. We welcomed a new Youth Board who supported us in a number of activities, including:

1. Social media takeover day to tell our network about the power of online mentoring
2. Our outcomes review to influence the accessibility and articulation of our impact surveys
3. Mutual mentoring with our board to ensure youth voice is felt in our governance structures

We are grateful to the Youth Board for their time, their voice and their commitment to our cause.

Outcomes review: We have undertaken a full review of our outcomes this year. We conducted an external literature review to update our understanding of the latest research and completed an analysis of over 600 mentee qualitative survey responses. Following this we have simplified our approach to measuring our outcomes and will be measuring three key outcomes for mentees in the future:



Financial review

On 31 March 2022, the assets and liabilities of Brightside Social Enterprises Limited were transferred to the parent charity, The Brightside Trust. This reconstruction, as required by the Charities SORP (FRS 102), been treated as a merger for purposes of these financial statements. The figures in the financial statements consist of the aggregated assets, liabilities and funds of the combining charities for the year ended 31 March 2023. Where comparatives are provided, these relate to the consolidated results of The Brightside Trust and Brightside Social Enterprises Limited drawn up to 31 March 2022 on a line by line basis, eliminating inter-group transactions.

Financial review (continued)

The charity received income of £804,343 (2022: £1,128,307) in the year to 31 March 2023, a decrease of 29% on the previous year. Expenditure, including direct project expenditure and running costs, totalled £1,215,434 (2022: £1,164,154) an increase of 4%. Trustees agreed to keep expenditure at this level pending the outcome of a structured programme to secure new sources of funding, particularly for Spotlight. The results of this initiative should be known towards the end of the year to 31 March 2024, following which the cost base of the charity will be reviewed again, in the light of future growth opportunities at that time.

2023/24 Forecast

The external environment continues to be challenging for charities generally, and for those in the education sector specifically. As a result of this, the focus in 2023/24 must be balanced to be ambitious in reaching as many young people as possible and focussed on providing stability. As we take Spotlight to market fully and test the sustainability of this model we are aware that the cost-of-living crisis continues to affect the already limited budgets of schools. We will therefore need to remain agile in our approach to Spotlight.

The demands on, and expectations of, our technology remain high - to provide a relevant and engaging service to our partners, our mentors and our mentees. We will continue to invest in its future this year. We will add an embedded, safeguarded and secure video mentoring tool which offers opportunities in our pedagogy and for partnerships. The mentoring platform and app will be translated into Welsh so that we are able to meet the needs of schools in Wales.

2023/24 will also be a year of celebration as Brightside turns 20. A huge milestone and a period of time during which we have been able to work with over 150,000 young people across the country. We will have a year of activity celebrating this milestone through our website, our online content, social media and both in person and online events.

Governance

The six board subcommittees continue to add value (Finance & Risk, Impact & Measurement, People, Technology, Spotlight and a Youth Board liaison committee). They are providing the space and time to challenge and support the executive team on the important areas for the organisation and allowing the trustees to bring their skills and experience to benefit Brightside throughout the year. The subcommittees report into the full board each quarter, where key decisions are made.

The assets and liabilities of the Brightside Social Enterprise Ltd, (the charity's trading subsidiary) were transferred to the parent charity on 31 March 2022. The company was kept open during the year to 31 March 2023 but no activity went through the income statement and there was a Nil balance sheet at year end. The company will be closed down during the year to 31 March 2024.

Investment policy

Our investment objective is to preserve the value of capital in real terms, in order to provide funds for future activities. Our investment is managed by Rothchild Private Fund Management, and comprises a holding of Accumulation Units in the Glenhuntley Portfolio Trust. We have confidence in our investment Manager's abilities to look after our funds wisely in ever changing financial markets, and are satisfied with their current performance which we review quarterly.

Reserves

It is the policy of the charity to maintain unrestricted reserves at a level which equates to a minimum of nine months unrestricted expenditure. The trustees consider that this level will ensure the short-term financial sustainability of the organisation and that existing obligations to beneficiaries can be met, irrespective of changes to income. In addition, this includes sufficient cash to fund any short-term working capital requirements.

The charity has one restricted reserve at year end, for the grant funding for Spotlight from AKO Foundation. This leaves net unrestricted funds of £1.209m (2022: £1.509m) of which is almost 12 months operational expenditure of the group. The trustees are satisfied that the reserves are above the minimum target.

Forecasts have been prepared which disclose that the group has significant headroom to operate with existing funds for the next 12 months. In view of this the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements. For this reason they continue to adopt the going concern basis in the financial statements.

Fundraising

The group does not actively solicit donations from the public and is therefore not registered with the Fundraising Regulator and does not subscribe to any fund-raising codes of practice.

Should donations from individuals be received, the group would aim to protect personal data and would never sell data or swap data with other organisations and undertake to react to and investigate any complaints regarding fundraising activities and to learn from them and improve the service.

Volunteers

The Trust relies heavily on the willingness of volunteers to provide our online mentoring. The Trust recruits, inducts, trains and supports volunteers to mentor young people on the online platform. We would like to take this opportunity to thank all of our volunteers who are critical to our success and the impact we have on the young people we work with.

Employees

The Brightside Trust is an equal opportunities employer and applies objective criteria to assess merit. It ensures that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunity and, where appropriate and possible, special training to enable them to progress both within and outside the organisation. The Trust is committed to a programme of action to make this policy effective.

Public benefit

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning the future activities of the Trust. These are shown above in the section 'Objectives and activities'.

Approval

Approved by the trustees and signed on their behalf by:

RM Edmunds

R Edmunds

Trustee

Date: 17 January 2024

Independent auditor's report to the trustees of The Brightside Trust

Opinion

We have audited the accounts of The Brightside Trust (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statements of cash flow, principal accounting policies and the notes to the accounts. 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 accounts:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 accounts 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 we do not express any form of assurance conclusion thereon.

Other information (continued)

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.

Matters on which we are required to report by exception

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

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the accounts; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the accounts are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of the trustees

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

In preparing the accounts, 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

Auditor's responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- ◆ We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are the Charities SORP FRS 102, the Charities Act 2011, employment legislation and Health & Safety regulations.
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of minutes from trustee meetings and papers provided to the trustees.

We assessed the susceptibility of the charity's financial statements to material misstatements, including how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ Identifying and assessing the design and implementation of controls in place to prevent and detect fraud;
- ◆ Challenging assumptions and judgments made by management and the trustees in its significant accounting estimates;
- ◆ Identifying and testing journal entries, in particular adjustments made at the year-end for financial statement preparation; and
- ◆ Assessing the extent of compliance with relevant laws and regulations by reviewing correspondence with regulators and legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be 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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

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

18 January 2024

Statement of financial activities Year to 31 March 2023

	Notes	Year ended 31 March 2023 Unrestricted funds £	Year ended 31 March 2023 Restricted funds £	Year ended 31 March 2023 Total funds £	Year ended 31 March 2022 Unrestricted funds £	Year ended 31 March 2022 Restricted funds £	Year ended 31 March 2022 Total funds £
Income from:							
Grants and donations	1	767	60,000	60,767	10,053	155,000	165,053
Charitable activities	1	736,557	6,039	742,596	963,254	—	963,254
Investments	1	980	—	980	—	—	—
Total income		738,304	66,039	804,343	973,307	155,000	1,128,307
Expenditure on:							
Charitable activities:	2						
Direct projects and administrative support		(950,845)	(264,589)	(1,215,434)	(948,158)	(215,996)	(1,164,154)
Total expenditure		(950,845)	(264,589)	(1,215,434)	(948,158)	(215,996)	(1,164,154)
Net income/(expenditure) income before gains on investments		(212,541)	(198,550)	(411,091)	25,149	(60,996)	(35,847)
(Losses)/gains on investments	3	(88,590)	—	(88,590)	56,211	—	56,211
Net (deficit)/surplus for the year and net movement in funds before transfers		(301,131)	(198,550)	(499,681)	81,360	(60,996)	20,364
Transfers between funds	11	(45,921)	45,921	—	(105,000)	105,000	—
Net movement in funds		(347,052)	(152,629)	(499,681)	(23,640)	44,004	20,364
Total funds brought forward		1,816,360	281,355	2,097,715	1,840,000	237,351	2,077,351
Total funds carried forward	11	1,469,308	128,726	1,598,034	1,816,360	281,355	2,097,715

On 31 March 2022 the assets, liabilities and activities of Brightside Social Enterprises Limited were transferred to The Brightside Trust (see note 14). There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 11 to the financial statements. Year ended 31 March 2022 comparatives shown comprise the consolidated results of The Brightside Trust and Brightside Social Enterprises Limited. The results relate wholly to continuing activities.

Balance sheet 31 March 2023

	Notes	2023 £	2022 £
Fixed assets			
Investments	3	1,348,435	1,540,909
Intangible assets	5	142,723	141,165
Tangible fixed assets	6	7,388	10,556
		1,498,546	1,692,630
Current assets			
Cash at bank and in hand		222,823	584,124
Debtors	7	247,340	214,718
		470,163	798,842
Creditors: amounts falling due within one year	8	(370,675)	(393,757)
Net current assets		99,488	405,085
Net assets		1,598,034	2,097,715
Charity funds			
Unrestricted funds		1,469,308	1,816,360
Restricted funds		128,726	281,355
Total funds	11	1,598,034	2,097,715

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

R M Edmunds

R Edmunds

Trustee

Date: 17 January 2024

Statement of cash flows 31 March 2023

	2023 £	2022 £
Net cash used in operating activities		
Net (deficit)/surplus for the year	(499,681)	20,364
Loss/(gain) on changes in fair value of investments	88,590	(56,211)
(Increase)\decrease in debtors	(32,622)	7,393
Decrease in creditors	(23,082)	(158,657)
Depreciation	5,851	4,598
Amortisation w rite off	—	3,445
Amortisation	71,942	74,578
	<u>(389,002)</u>	<u>(104,490)</u>
Cash flow from investing activities		
Proceeds from sale of investments	103,884	—
Purchase of tangible fixed assets	(2,683)	(9,637)
Purchase of intangible fixed assets	(73,500)	(73,500)
Net cash provided by investing activities	<u>27,701</u>	<u>(83,137)</u>
Change in cash and cash equivalents	(361,301)	(187,627)
Cash and cash equivalents brought forward	584,124	771,751
Cash and cash equivalents carried forward	<u>222,823</u>	<u>584,124</u>

There is no difference between the change in cash and cash equivalents and the change in net debt. The group has no borrowings, finance lease obligations or foreign exchange rate movements.

Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	222,823	584,124
Total cash and cash equivalents	<u>222,823</u>	<u>584,124</u>

Legal information

The Brightside Trust is a Charitable Incorporated Organisation (Charity no. 1159993) and owns 100% of the issued share capital of the soon to be closed entity, Brightside Social Enterprise Limited, a limited company (Company no. 09774291). Both organisations' registered office is CAN Mezzanine, 7-14 Great Dover Street, London, SE1 4YR.

The group delivers public benefit by providing support to young people as set out in the report of the trustees.

Basis of preparation

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

At midnight on the 31 March 2022 the assets and liabilities of Brightside Social Enterprise Limited were transferred from Brightside Social Enterprise Limited to the parent charity for consideration at book value. The activities of the group did not change, but now all reside within The Brightside Trust.

The transfer of activity from Brightside Social Enterprise Limited to The Brightside Trust is a group reconstruction that has been treated as a merger for accounting purposes. As a consequence, these financial statements report all of the activities of The Brightside Trust and the soon to be closed Brightside Social Enterprises Limited entity for both financial periods.

The Brightside Trust 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.

The financial statements are presented in sterling (£).

Going concern

Forecasts have been prepared which disclose that the group has significant headroom to operate with existing funds for the next 12 months. In view of this the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements. For this reason they continue to adopt the going concern basis in the financial statements.

Income

Income is recognised once the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. Where income is received before any work is undertaken amounts are included within deferred income, and the income is then released in line with the delivery of the contracts.

Donations

Donations comprises all income from grants and donations. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised in the financial statements. Donations under Gift Aid together with the associated income tax recoveries are credited as income in the year in which they are received.

Charitable income

Charitable income represents amounts receivable by the charity for providing online mentoring services which are aligned with the charity's objectives.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Allocation of overhead and support costs

All overhead and support costs have been allocated to charitable activities.

Fixed asset investment

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value, using closing mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposals are included in the Statement of Financial Activities.

Income from investments is included, together with the related tax credit, in the year in which it is receivable.

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

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation. Depreciation is charged on computers which are written off on a straight line basis over their estimated useful life of three years.

Intangible fixed assets

Intangible fixed assets are stated at historic cost less accumulated amortisation. Amortisation is charged on a straight-line basis for software over an estimate useful life of four years.

Debtors

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

Financial instruments

The trust 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.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Restricted funds comprise monies received for, or their use restricted to, a specific purpose or contributions subject to donor imposed conditions

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.

Significant judgements and key areas of estimation uncertainty

The preparation of financial statements requires the use of certain critical accounting estimates and judgements. It also requires the trustees to exercise judgement in the process of applying accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including an expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the trustees' best knowledge of the amount, event or actions, actual results may differ from those estimates.

Areas requiring the use of estimates and critical judgements that may impact on the charity's financial activities and financial position include estimates of useful economic lives of intangible fixed assets, specifically the online mentoring platform developed by the group, and the appropriateness of using merger accounting to account for the transfer of the activities, assets and liabilities of Brightside Social Enterprises Limited to The Brightside Trust.

1. Income

	2023 Unrestricted £	2023 Restricted £	2023 Total £	2022 Total £
Charitable activities				
Online Mentoring activity	736,557	6,039	742,596	963,254
Grants and donations				
Grants	—	60,000	60,000	165,000
Donations	767	—	767	53
	767	60,000	60,767	165,053
Investments				
Bank interest	980	—	980	—
Total income for the year	738,304	66,039	804,343	1,128,307

Included within “Online mentoring activity” is £Nil (2022: £350) of covid support funding relating to staff furloughed in the year and £1,085 (2022: £6,803) of income from the government Kickstart Scheme.

2. Expenditure on charitable activities

	2023 £	2022 £
Direct project expenses	124,787	103,124
Payroll expenses – direct project work	578,328	523,185
Support costs		
Payroll expenses – administrative	311,407	281,715
Travel & accommodation	15,856	4,396
Overhead and support costs – charitable activities	127,646	200,168
Office Costs	24,184	9,500
IT/ Phone/ Internet Costs	16,621	15,178
Auditors’ remuneration (governance costs):		
Audit services	13,560	14,104
Tax compliance services	1,200	1,680
Other services	1,845	11,104
Expenditure before grants payable	1,215,434	1,164,154
Total expenditure	1,215,434	1,164,154

Included within “Direct project expenses” is £Nil relating to the Fidelity restricted funds (2022 - £7,351), included within “support costs” is £Nil relating to the Digital Impact restricted funds (2022 - £35,921) and included across “payroll expenses” and “support costs” is £264,589 relating to the Spotlight restricted funds (2022 - £172,724).

2. Expenditure on charitable activities (continued)

Payroll costs have been allocated between direct project work and administrative support in the ratio 65:35 respectively. This is based on an analysis of the payroll for the financial year and the allocation of each role between project work and administrative work. It is in line with the apportionments from prior year.

The Brightside Trust became VAT registered on 1 April 2022 and as a result at this date became entitled to recover input VAT on eligible expenses incurred from 1 September 2021. Included within overhead and support costs is a negative entry of £11,947 in relation to VAT recovered for this period.

3. Investments

	Fixed asset investments 2023 £
Opening market value	1,540,909
Disposal of investments at opening market value	(109,595)
Loss on the market value of investments	(82,879)
At 31 March 2023 at market value	1,348,435
Realised loss on disposal of investment assets	(5,711)
Unrealised loss on changes in the market value of investments	(82,879)
	(88,590)
Analysis of investments	
Unit trust	1,348,435
	1,348,435
	<i>Fixed asset investments 2022 £</i>
<i>Opening market value</i>	<i>1,484,698</i>
<i>Disposal of investments at opening market value</i>	<i>—</i>
<i>Gain in the market value of investments</i>	<i>56,211</i>
<i>At 31 March 2022– at market value</i>	<i>1,540,909</i>
<i>Realised gain on disposal of investment assets</i>	<i>—</i>
<i>Unrealised gain on changes in the market value of investments</i>	<i>56,211</i>
	<i>56,211</i>
<i>Analysis of investments</i>	
<i>Unit trust</i>	<i>1,540,909</i>
	1,540,909

Investments are stated at market value. The Unit Trust is managed by Rothschild and contains a mixture of investments including equities, gifts and cash. All investments are traded in quoted public markets.

3. Investments (continued)

The significance of financial instruments to the ongoing financial sustainability of the CIO is considered in the financial review and investment policy and performances sections of the Trustees' Annual Report.

4. Tax

As a Charitable Incorporated Organisation, The Brightside Trust is exempt from Corporation Tax.

5. Intangible fixed assets

	Software £
Cost	
At 1 April 2022	685,635
Additions	73,500
At 31 March 2023	<u>759,135</u>
Amortisation	
At 1 April 2022	544,470
Provided in the year	71,942
At 31 March 2023	<u>616,412</u>
Net book value	
At 31 March 2023	<u>142,723</u>
Net book value	
At 31 March 2022	<u>141,165</u>

Brightside Social Enterprise Limited used an external development agency to build a new online mentoring platform in 2015, to support the activities of the parent charity and the subsidiary company. This went live in September 2016 and the group has continued to invest in the development of this online platform since this date.

The Subsidiary transferred the intangible fixed assets to the Parent Charity as at 31 March 2022.

6. Tangible fixed assets

	Computers £	Total £
Cost		
At 1 April 2022	20,949	20,949
Additions	2,683	2,683
Disposals	(1,363)	(1,363)
At 31 March 2023	<u>22,269</u>	<u>22,269</u>
Depreciation		
At 1 April 2022	10,393	10,393
Charge for the year	5,851	5,581
Depreciation eliminated on disposals	(1,363)	(1,363)
At 31 March 2023	<u>14,881</u>	<u>14,881</u>
Net book value		
At 31 March 2023	<u>7,388</u>	<u>7,388</u>
Net book value		
At 31 March 2022	<u>10,556</u>	<u>10,556</u>

7. Debtors

Group	2023 £	2022 £
Trade debtors	173,677	78,826
Prepayments	10,608	10,024
Accrued income	63,055	125,868
	<u>247,340</u>	<u>214,718</u>

8. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	17,303	14,845
Other taxes and social security	73,753	64,663
Accruals	25,416	36,775
Other creditors	9,379	7,088
Deferred income	244,824	270,386
	<u>370,675</u>	<u>393,757</u>

9. Financial instruments

	2023 £	2022 £
Financial assets		
Financial assets measured at amortised cost	459,555	788,818
Financial assets measured at fair value through profit or loss	<u>1,348,435</u>	<u>1,540,909</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(42,719)</u>	<u>(51,620)</u>

Financial assets measured at amortised cost comprise cash, trade debtors and accrued income.

Financial assets measured at fair value comprise fixed asset investments with a quoted market price.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

10. Staff costs and trustees' remuneration

	2023 £	2022 £
Salaries	787,745	715,780
Social security costs	79,831	69,357
Pension costs	<u>22,159</u>	<u>19,763</u>
	<u>889,735</u>	<u>804,900</u>
The average weekly number of employees during the year	<u>23</u>	<u>20</u>

Two employees received remuneration amounting to more than £60,000 (two employees in 2022) with one in the bracket of £60,001 - £70,000 and one in the bracket £70,001 - £80,000 (2022 – one employee in the bracket of £60,001 - £70,000 and one in the bracket £70,001 - £80,000).

The trustees do not receive remuneration from the charity.

Three trustees received payments or reimbursements of expenses from the charity totalling £712 in the year (2022: no trustees received payments or reimbursements of expenses from the charity).

The total aggregate remuneration (including employer's pension and national insurance contributions) of key management personnel during the year was £168,020 (2022: £163,299). Key management are the CEO and the COO.

11. Funds and reserves

	Designated Funds		Restricted funds			Total funds £
	Un-restricted funds £	Operational funds £	Fidelity UK funds £	Digital Impact funds £	Spotlight funds £	
As at 1 April 2021	1,623,374	216,626	7,351	—	230,000	2,077,351
Transfers In	—	305,088	—	—	105,000	410,088
Transfers Out	(305,088)	(105,000)	—	—	—	(410,088)
Income	973,307	—	—	50,000	105,000	1,128,307
Expenditure	(837,944)	(110,214)	(7,351)	(35,921)	(172,724)	(1,164,154)
Gain on Investment	56,211	—	—	—	—	56,211
As at 1 April 2022	1,509,860	306,500	—	14,079	267,276	2,097,715
Transfers In	(145,000)	85,000	—	—	60,000	—
Transfers Out	74,079	(60,000)	—	(14,079)	—	—
Income	738,304	—	—	—	66,039	804,343
Expenditure	(878,903)	(71,942)	—	—	(264,589)	(1,215,434)
Loss on Investment	(88,590)	—	—	—	—	(88,590)
As at 31 March 2023	1,209,750	259,558	—	—	128,726	1,598,034

Unrestricted funds comprise those funds which the Trustees may use in accordance with the Charitable objectives.

The charity has unrestricted funds of £1.2m (2022: £1.5m) which is almost 12 months operational expenditure of the group.

There were also designated funds of £259,558 at 31 March 2023. During the year trustees reviewed these and allocated funds for Spotlight, Technology and to build video mentoring capability over the next few years. At year end these funds comprise:

- ◆ £20,000 for Spotlight for FY23/24
- ◆ £154,558 for Technology costs for FY23/24 and FY24/25
- ◆ £85,000 to build video mentoring capability in FY23/24

There are two restricted funds during the year:

- ◆ A restricted fund from The Social Business Trust Digital Impact fund (DIF) in October 2021. This grant was to update the Brightside website. As of year-end the fund was fully expended after SBT agreed for us to release the small underspend into general funds
- ◆ The Spotlight restricted fund has a balance of c£129k at year end, following £60k income from AKO Foundation, a £60k transfer from unrestricted reserves to match fund this and £6k funding from schools.

11. Contingent liabilities

There were no contingent liabilities to disclose at 31 March 2023 or 31 March 2022.

12. Capital commitments

The group and the parent charity has no capital commitments at 31 March 2023 (2022: £nil).

13. Related party transactions

Details of transactions with trustees are set out in note 10.

Trustees consider that The Brightside Trust had no other transactions during the year which need to be disclosed as related party transactions.

14. Transfer Of Assets and Liabilities

At midnight on the 31 March 2022 the assets and liabilities of Brightside Social Enterprise Limited were transferred from Brightside Social Enterprise Limited to the parent charity for consideration at book value. The activities of the group did not change, but now all reside within The Brightside Trust.

The transfer of activity from Brightside Social Enterprise Limited to The Brightside Trust is a group reconstruction that has been treated as a merger for accounting purposes. As a consequence, these financial statements report all of the activities of The Brightside Trust and the soon to be closed Brightside Social Enterprises Limited entity for both financial periods.

THE BRIGHTSIDE TRUST

England & Wales - Charity number 1159993

Accounts

**The Brightside
Trust**

**Annual Report and Financial
Statements**

31 March 2022

Charity Registration Number
1159993

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Reference and administrative information

Trustees	R Edmunds S Payne J Beard S Dauncey O Borm R Jones P Sidhu O Siddiqa
Address	CAN Mezzanine 7-14 Great Dover Street London SE1 4YR
Charity registration number	1159993
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Solicitors	Bates Wells & Braithwaite 10 Queen Street Place London EC4R 1BE
Bankers	Natwest Bank plc 180 London Road Hazel Grove Stockport SK7 4DH

The trustees' report 31 March 2022

The Trustees present their report together with the audited financial statements for the year ended 31 March 2022. The financial statements have been prepared in accordance with the accounting policies set out on page 18 to 20.

The Financial Statements comply with the Charities Act 2011, The Trust Deed, and 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).

Structure, Governance and Management

The Brightside Trust was incorporated as a Charitable Incorporated Organisation (CIO) on 19 January 2015 (registered charity number 1159993). The CIO became an active charity on 1 April 2015 when all the activities, assets and liabilities of the former charity the Brightside Trust (registered charity number 1080243) (the legacy charity) were transferred to the CIO. Brightside Social Enterprise Limited was incorporated on 11 September 2015 and operates as the charity's trading subsidiary.

The aim of the charity and the trading subsidiary is to provide the young people that need it most with knowledge, support and connections so that they can make confident and informed decisions enabling them to fulfil their potential.

The trustees are appointed by the Board and serve for a period of four or five years after which period they may put themselves forward for re-appointment. The trust deed provides for a minimum of three trustees. The aim of the board is to recruit trustees with skills and experience from a number of complementary areas including education, government and the corporate sector. It is the intention of the trustees to meet quarterly in order to discuss the board strategy and areas for activity including review of major projects, reserves and risk management. Day to day management of the Trust is delegated to a chief executive with supervision from the chair and treasurer. The trustees who have served during the year are set out on page 1.

New trustees are given a detailed induction briefing by the organisation and are also required to attend training at Brightside where they are briefed by members from all levels of the organisation and are given a demonstration of the mentoring platform.

Pay and remuneration of the Chief Executive is set by the Chair of Trustees in consultation with the Board of Trustees. The pay and remuneration of the Senior Management Team is set by the Chief Executive in consultation with the Chair of Trustees.

Key management personnel

The trustees consider that the board of trustees and two employees comprise the key management personnel, the Chief Executive and the Chief Operating Officer, who are in charge of directing and controlling, running and operating the group on a day to day basis.

The trustees give their time freely and no trustee received remuneration in the year.

The pay of the employees is reviewed annually by the trustees.

Risk management

The trustees have examined the major strategic, operational and reputational risks which the charity faces and confirm processes have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. In addition, the senior management team review key risks on a monthly basis to ensure these are mitigated.

The main form of financial risk faced by the Charity is that of income volatility in the higher education market due to the regulatory changes in Access & Participation (AP). The Office for Students appointed a new Director of Fair Access and Participation in January 2022 who is changing the guidance on university Access and Participation Plans (APPs) and has launched a consultation on a new approach to APPs in Autumn 2022. These changes mean Universities are reviewing their AP priorities and there is a risk this may adversely affect Brightside. This coupled with a worsening economic environment and a cost of living crisis presents a risk for the organisation.

The charity also faces volatility in equity markets and investment markets due to wider economic conditions. Liquidity risk is anticipated to be low the Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield and total return and historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

Trustees

The trustees who served throughout the year and to the date of approval of these financial statements, were as follows:

R Edmunds
S Payne
J Beard – resigned 1 April 2022
S Dauncey
O Borm
R Jones
P Sidhu
G Murgatroyd – resigned 23 March 2022
O Siddiqa
A Ross – appointed 1 June 2022
J Azim - appointed 1 June 2022
B Hunt – appointed 11 April 2022

Trustees' responsibilities statement

The trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 and regulations made thereunder requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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 set out in the 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);
- ◆ make judgements and estimates that are reasonable and prudent; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, and regulations made thereunder and the provisions for 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.

In so far as the trustees are aware:

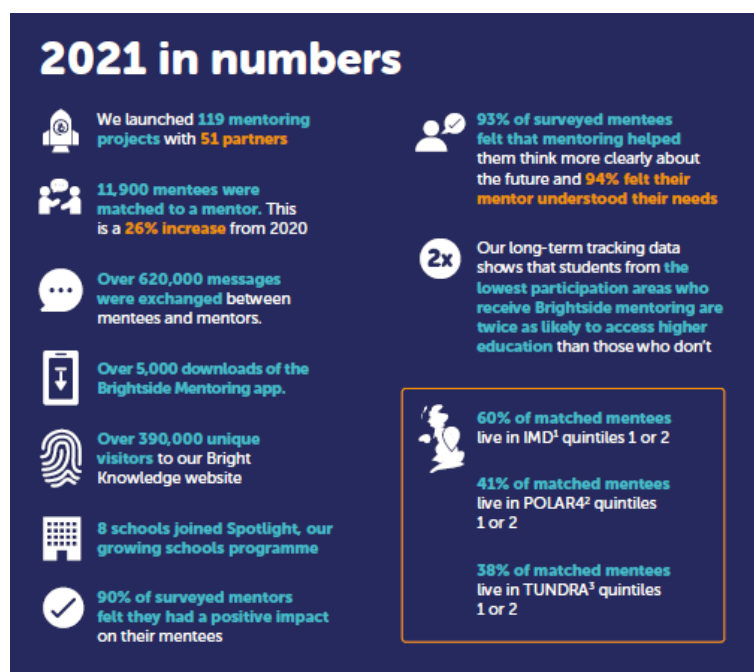
- ◆ there is no relevant audit information of which the charity's auditors are unaware; and
- ◆ the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Objectives, activities, performance and future plans

Overview

2021/22 was a year of “scaling up”. Following the success of the previous year at Brightside we have continued to develop our programmes, our impact and our team. We grew from a team of 14 to a team of 24, we built our Spotlight Programme from 5 schools to 13 schools and reached 11,900 young people.

We have learned much through this and have adapted to change positively and proactively. We have continued our collaborative programme approach which enables us to reach groups of young people who face additional barriers to success. These young people can be hard to find and therefore often do not receive the specific, tailored support that will enable them to negotiate a positive pathway. We are particularly proud of the results of our first Bright Carers programme which brought seven partners together including the expertise of The Children’s Society, to successfully provide mentoring for around 30 young carers.



NB These data points cover the calendar year 2021 in line with our impact reporting.

Overall, this year we are proud to have welcomed new staff and new partners all with the shared purpose of helping the young people who need it most to make confident and informed decisions about their futures.

Why we exist

In the UK, access to opportunities is often more determined by where a person grew up (or what their parents do) than what they want to do. The gap in access and opportunity for those in the less affluent areas of the UK was unacceptable before the global pandemic played havoc on the experiences of young people. Research shows that as a result of the pandemic gaps are widening and young people are struggling.

“My Brightside mentor always motivated me to pursue my dream and assisted me in the application process, making me realise that I am capable of going down this path. Career advisors at school are sometimes pessimistic about chances of getting into medical school, so that did sway my decision initially. However, through this mentoring scheme and the support that I have received, I am confident about my decision to pursue higher education”

Mentee on the Bright Carers programme

Why we exist (continued)

For a young person to reach their potential, guidance, behaviours and attitudes are as important as academic performance. Guidance is crucial when young people are deciding what qualifications, work experience, courses and institutions will lead to a fulfilling and successful career. A 2021 UCAS report found that one in five students could not study a Higher Education subject that interested them because they did not have the relevant subjects for entry, and two in five believe more information and advice would have led to them making better choices.

We are finding similar patterns in our own research. In 2021/22, we surveyed 4,700 secondary school pupils from 12 schools as part of Spotlight, our growing schools programme, asking students a range of questions around their expectations and aspirations. The results showed a real need for guidance and support when it comes to exploring future career pathways. We saw levels of hope and social capital decrease after year 7 and 8, with many young people lacking in these in years 10 and 11 (key decision-making points).

These survey results show the gap that exists for many young people between their aspirations and their expectations. They highlight the need for quality mentoring that supports young people to self-reflect and set realistic, achievable goals informed by the contexts in which they operate.

Our survey showed the same pattern in respondents' understanding of the connection between school and careers:

30% of respondents didn't believe that what they really wanted to do after 18 would be what they actually do

Students whose aspirations matched their expected post-18 route were **25% more likely** to feel confident that their expected route is the right pathway for them

Financial review

The group received income of £1,128k (2021: £1,013k) in the year to 31 March 2022, an increase of 11 % on the previous year, and in line with expectations. Expenditure including direct project expenditure and running costs, totalled £1,164k (2021: £948k excluding the grant to Upside). This is an increase on last year as a result of being a larger organisation delivering more projects than in the prior year and reflecting the decision by trustees to 'match fund' a grant received for Spotlight with funding from reserves.

Brightside Social Enterprise Limited, the trading subsidiary made a surplus of £322k (2021: deficit of £1,438). This is driven by a one off £208k loan waiver from the parent charity in connection with the Business Transfer and by the two grants for Spotlight from the parent charity, which total £230k.

March 2023 Vision



March 2023 Vision (continued)

With the two overarching and interlinked priorities of becoming a sustainable and impact led organisation, we are currently working towards the above ambitious vision.

During 2021/22 we made promising progress towards this vision, with the investment in our digital strategy coming to fruition and helping prove that our intervention is both high quality and high impact. We matched 11,900 mentees to a mentor of their choice. We saw that on programmes where young people accessed our service via our app, and all the engagement tools built through our digital strategy were enabled, 35% more mentees sent three messages.

We know this, because alongside building new products, we maintain a robust approach to impact and evaluation in order that our programmes and technology evolve based on evidence. Not only do we continue to use our Theory of Change to hold ourselves accountable to the short and long term impact we have on young people but we also review, iterate and evolve our practices by regularly analysing progress. We have created new roles which support this approach - an Impact Manager and a Deputy Head of Programmes, bridging the gaps which can so easily form between evaluation, practice and digital developments.

As our proof in the power of online mentoring grows, so too does our confidence in our ability to reach more young people through our programmes.

During 2021/22 we have begun using that confidence to influence and engage the external world to a greater degree. In November 2021 we were awarded a £50k grant via the Digital Impact Fund by Social Business Trust & Permira and alongside this, invested in a much-needed role - Communications & Marketing Manager. We commissioned an external agency and have built [a new website](#) which shouts loudly that:

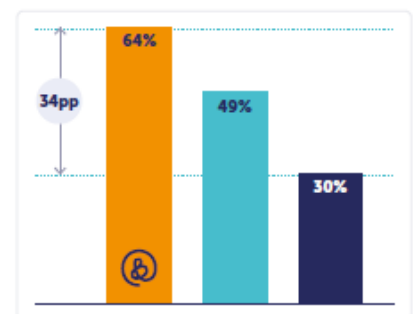
We are a social mobility charity that connects young people with inspiring mentors to help them make confident and informed decisions about their future.

We are impact-led. We design and run programmes, train volunteers and facilitate meaningful conversations between mentors and mentees.

We are pioneers in digital mentoring with nearly twenty years' experience and take pride in finding new and better ways to have a greater impact.

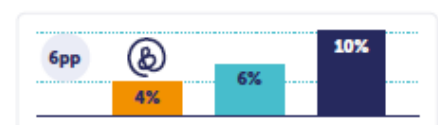
Our programmes work: they have a positive, lasting impact and we can prove it. Young people who receive our mentoring are twice as likely to access Higher Education than their peers, and, crucially, they are more likely to complete their course.

Students from the lowest participation and highest deprivation areas who receive Brightside mentoring are twice as likely to access higher education than those who don't



64% of Brightside mentees from POLAR4 Q1 found in HE / 49% of outreach participants recorded on the HEAT database / 30% national average

They are more likely to complete their course



Non-continuation rate of engaged Brightside mentees from POLAR4 Q1 is 4% / 6% for outreach participants recorded on the HEAT database / 10% national average

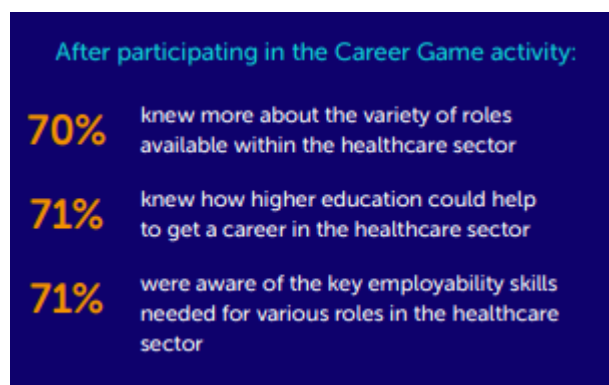
2022/23 Overview

We aim to further expand our reach across the four nations with an aspirational target of engaging 15,000 young people this year. To do this, we continue to invest in our technology, iterating on tools which will further improve the user experience and we continue to innovate within our programmes and partnerships. In 2022/23 we will be:

Addressing the future skills gap: The skills gap facing some sectors needs to be addressed and young people must be equipped to move successfully into the careers of the future. During 2022/23 we will focus on building partnerships with the public sector and with the engineering, creative and built environment sectors in order to help young understand the breadth of opportunity within them and to find the education pathway which will enable them to succeed in accessing them.



Supporting the access agenda: Universities have been asked to submit variations on their existing Access & Participation Plans and at Brightside we are well placed to support institutions to deliver on those plans. Whilst these variations have caused institutions to pause and this will have a knock-on impact to our income in the short term, once in place, our evidenced interventions will continue to support young people to access and succeed in Higher Education



Expanding Spotlight: Our newly rebranded Spotlight Programme continues to grow, with new schools joining regularly. We have expanded further into Yorkshire and plan to launch a fourth hub in the North West. The Spotlight survey provides us with useful insights into young people's perceptions and expectations and we are using these to evolve our programmes, particularly for pre-16 students. The Career Game has proved popular with schools and

so far this year 1,200 young people across 8 schools have taken part.

Building in Youth Voice: We have recruited ten young people to our Youth Board and alongside a sub-committee we are using their voices to influence our technology and to further our understanding of our impact.

Post 2023 vision:

The residual effects of the Covid pandemic, the cost of living crisis and changes in higher education policy are making it challenging to meet our ambitious aspirations for 2022/23. We expect our income to be lower than in 2021/2022 but remain confident that our high quality, high impact intervention is both right for and needed by young people. Meanwhile we are working this year to refine our strategy, which will enable us to realise the scale of our ambition in the longer term.

Governance

During 2021-22 the six new board members who joined in March 2021 were fully inducted and the board set up six subcommittees; Finance & Risk, Impact & Measurement, People, Technology, Spotlight and a Youth Board liaison committee. These subcommittees are providing the space and time to challenge and support the executive team on the important areas for the organisation and allowing the trustees to bring their skills and experience to benefit Brightside throughout the year. The subcommittees report into the full board each quarter, where key decisions are made. In the first quarter of 2022-23 long standing board member Jon Beard stepped down and the board recruited three new trustees.

Following the set-up of Upside last year and the donation to this new charity, the trustees took charity law advice from Bates Wells about the structure of the group, which is costly for the organisation to administer. Following this advice and with Bates Well's support, the Trustees concluded that the subsidiary's activities were exclusively charitable and furthered the objects of the charity. Therefore, trustees decided to transfer the subsidiary's assets to the charity and will ultimately close down the subsidiary, bringing significant time and cost savings for the charity. With ongoing advice from Bates Wells and Buzzacott, and consent from the Charity Commission, the trustees arranged a Business Transfer agreement which took place at midnight on the 31st March 2022.

To allow for the subsidiary to transfer its assets to the charity (its sole member), the subsidiary needed to comply with the restrictions in section 830 Companies Act 2006 which provides that a company can only make a distribution to its member out of accumulated realised profits. The subsidiary did not have sufficient accumulated realised profits to make the transfer of its assets to the charity and therefore carried out a capital reduction to create sufficient distributable reserves. In addition, the charity waived the requirement for subsidiary to repay the intercompany loan, which allowed the directors of the subsidiary to sign the solvency statement required for the capital reduction. The trustees concluded that it was in the best interests of the charity to waive this as all loan monies were used for activities which further the charity's purpose and as such the funds could have originally been paid to the subsidiary by way of grant. In addition, the reason for writing off the loan was to facilitate the assets of the subsidiary moving to the charity which would benefit the charity through time and cost savings.

All assets and liabilities were transferred to the parent charity on 31 March 2022. Employees were transferred across under the TUPE regulation. The parent charity was VAT registered from 1 April 2022 and all activity has taken place through the parent charity from this date. The trading subsidiary will be closed down during the year to 31 March 2023.

Investment policy

Our investment objective is to preserve the value of capital in real terms, in order to provide funds for future activities. Our investment is managed by Rothchild Private Fund Management, and comprises a holding of Accumulation Units in the Glenhuntley Portfolio Trust. We have confidence in our investment Manager's abilities to look after our funds wisely in ever changing financial markets, and are satisfied with their current performance which we review quarterly.

Reserves

It is the policy of the charity to maintain unrestricted reserves at a level which equates to a minimum of nine months unrestricted expenditure. The trustees consider that this level will ensure the short-term financial sustainability of the organisation and that existing obligations to beneficiaries can be met, irrespective of changes to income. In addition, this includes sufficient cash to fund any short-term working capital requirements.

Reserves (continued)

The charity has two restricted reserves at year end, one for the grant funding for Spotlight from AKO Foundation and a new restricted fund for The Social Business Trust Digital Impact Fund (DIF). This leaves net unrestricted funds of £1.509m (2021: £1.623m) of which is almost 16 months operational expenditure of the group. The trustees are satisfied that the reserves are above the minimum target.

Forecasts have been prepared which disclose that the group has significant headroom to operate with existing funds for the next 12 months. In view of this the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements. For this reason they continue to adopt the going concern basis in the financial statements.

Fundraising

The group does not actively solicit donations from the public and is therefore not registered with the Fundraising Regulator and does not subscribe to any fund-raising codes of practice.

Should donations from individuals be received, the group would aim to protect personal data and would never sell data or swap data with other organisations and undertake to react to and investigate any complaints regarding fundraising activities and to learn from them and improve the service.

Volunteers

The Trust relies heavily on the willingness of volunteers to provide our online mentoring. The Trust recruits, inducts, trains and supports volunteers to mentor young people on the online platform. We would like to take this opportunity to thank all of our volunteers who are critical to our success and the impact we have on the young people we work with.

Employees

The Brightside Trust is an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunity and, where appropriate and possible, special training to enable them to progress both within and outside the organisation. The Trust is committed to a programme of action to make this policy effective.

Public benefit

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning the future activities of the Trust. These are shown above in the section 'Objectives and activities'.

Approval

Approved by the trustees and signed on their behalf by:



R Edmunds

Trustee

Date: 13.12.2022

Independent auditor's report to the trustees of The Brightside Trust

Opinion

We have audited the financial statements of The Brightside Trust ('the parent charity') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the consolidated and parent charity balance sheets, the consolidated statement of cash flows and 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 group and of the parent charity's affairs as at 31 March 2022 and of the group 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "auditor's responsibilities for the audit of the 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 group and parent charity's ability to continue as a going concern for a period of at least twelve months from when the accounts 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 we do not express any form of assurance conclusion thereon.

Other information (continued)

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.

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 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 Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of the trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Auditor's 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.

Auditor's responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- ◆ We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are the Charities SORP FRS 102, the Charities Act 2011, employment legislation and Health & Safety regulations.
- ◆ We understood how the charity is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of minutes from trustee meetings and papers provided to the trustees.

We assessed the susceptibility of the charity's financial statements to material misstatements, including how fraud might occur. Audit procedures performed by the engagement team included:

- ◆ Identifying and assessing the design and implementation of controls in place to prevent and detect fraud;
- ◆ Challenging assumptions and judgments made by management and the trustees in its significant accounting estimates;
- ◆ Identifying and testing journal entries, in particular adjustments made at the year-end for financial statement preparation; and
- ◆ Assessing the extent of compliance with relevant laws and regulations by reviewing correspondence with regulators and legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be 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 31 March 2022

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Buzzacott LLP". The signature is written in a cursive, flowing style.

19 December 2022
Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

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

Consolidated Statement of financial activities Year to 31 March 2022

	Notes	Year ended 31 March 2022 Unrestricted funds £	Year ended 31 March 2022 Restricted funds £	Year ended 31 March 2022 Total funds £	Year ended 31 March 2021 Unrestricted funds £	Year ended 31 March 2021 Restricted funds £	Year ended 31 March 2021 Total funds £
Income from:							
Grants and donations	2	10,053	155,000	165,053	62	115,000	115,062
Charitable activities	2	963,254	—	963,254	898,408	—	898,408
Total income		<u>973,307</u>	<u>155,000</u>	<u>1,128,307</u>	<u>898,470</u>	<u>115,000</u>	<u>1,013,470</u>
Expenditure on:							
Charitable activities:	3						
. Direct projects and administrative support		(948,158)	(215,996)	(1,164,154)	(923,107)	(24,413)	(947,520)
. Grants payable		—	—	—	(2,268,001)	—	(2,268,001)
Total expenditure		<u>(948,158)</u>	<u>(215,996)</u>	<u>(1,164,154)</u>	<u>(3,191,108)</u>	<u>(24,413)</u>	<u>(3,215,521)</u>
Net income/(expenditure) income before gains on investments		25,149	(60,996)	(35,847)	(2,292,638)	90,587	(2,202,051)
Gains on investments	4	56,211	—	56,211	888,837	—	888,837
Net surplus for the year and net movement in funds before transfers		<u>81,360</u>	<u>(60,996)</u>	<u>20,364</u>	<u>(1,403,801)</u>	<u>90,587</u>	<u>(1,313,214)</u>
Transfers between funds	12	(105,000)	105,000	—	—	—	—
Net movement in funds		<u>(23,640)</u>	<u>44,004</u>	<u>20,364</u>	<u>(1,403,801)</u>	<u>90,587</u>	<u>(1,313,214)</u>
Total funds brought forward		<u>1,840,000</u>	<u>237,351</u>	<u>2,077,351</u>	<u>3,358,800</u>	<u>31,765</u>	<u>3,390,565</u>
Total funds carried forward	12	<u>1,816,360</u>	<u>281,355</u>	<u>2,097,715</u>	<u>1,954,999</u>	<u>122,352</u>	<u>2,077,351</u>

The results relate wholly to continuing activities.

Parent charity and consolidated balance sheet 31 March 2022

	Notes	Consolidated 2022 £	Charity 2022 £	Consolidated 2021 £	Charity 2021 £
Fixed assets					
Investments	4	1,540,909	1,540,909	1,484,698	1,484,698
Intangible assets	6	141,165	141,165	145,688	—
Tangible fixed assets	7	10,556	10,556	5,517	—
		1,692,630	1,692,630	1,635,903	1,484,698
Current assets					
Cash at bank and in hand		584,124	326,140	771,751	352,951
Debtors	8	214,718	472,702	222,111	252,709
		798,842	798,842	993,862	605,660
Creditors: amounts falling due within one year	9	(393,757)	(393,757)	(552,414)	(13,007)
Net current assets		405,085	405,085	441,448	592,653
Net assets		2,097,715	2,097,715	2,077,351	2,077,351
Charity funds					
Unrestricted funds		1,816,360	1,816,360	1,840,000	1,847,351
Restricted funds		281,355	281,355	237,351	230,000
Total funds	12	2,097,715	2,097,715	2,077,351	2,077,351

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

R m edms

R Edmunds

Trustee

Date: 13.12.2022

Consolidated statement of cash flows 31 March 2022

	2022 £	2021 £
Net cash used in operating activities		
Net surplus\ (deficit) for the year	20,364	(1,313,214)
(Gain) on changes in fair value of investments	(56,211)	(346,191)
Profit realised on sale of investments	—	(542,646)
Decrease\ (increase) in debtors	7,393	(121,778)
(Decrease)\ increase in creditors	(158,657)	284,788
Depreciation	4,598	4,226
Amortisation write off	3,445	—
Amortisation	74,578	104,540
	(104,490)	(1,930,275)
Cash flow from investing activities		
Proceeds from sale of investments	—	2,468,001
Purchase of tangible fixed assets	(9,637)	(5,576)
Purchase of intangible fixed assets	(73,500)	(66,500)
Net cash provided by investing activities	(83,137)	2,395,925
Change in cash and cash equivalents	(187,627)	465,650
Cash and cash equivalents brought forward	771,751	306,101
Cash and cash equivalents carried forward	584,124	771,751

There is no difference between the change in cash and cash equivalents and the change in net debt. The group has no borrowings, finance lease obligations or foreign exchange rate movements.

Analysis of cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	584,124	771,751
Total cash and cash equivalents	584,124	771,751

Legal information

The Brightside Trust is a Charitable Incorporated Organisation (Charity no. 1159993) and owns 100% of the issued share capital of Brightside Social Enterprise Limited, a limited company (Company no. 09774291). Both organisations' registered office is CAN Mezzanine, 7-14 Great Dover Street, London, SE1 4YR.

The group delivers public benefit by providing support to young people as set out in the report of the trustees.

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) (effective 1 January 2015) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. The financial statements have been prepared under the historical cost convention except for modification as specified in the accounting policies below.

The Brightside Trust 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.

The group financial statements consolidate those of the parent charity and its subsidiary undertaking drawn up to 31 March 2022 on a line by line basis, eliminating inter-group transactions. These financial statements represent twelve months activities of the Brightside Trust and the Brightside Social Enterprise Limited.

The net income for The Brightside Trust, the CIO, was £20,364 for the year (2021: net expenditure of £1,313,214).

The financial statements are presented in sterling (£).

Going concern

Forecasts have been prepared which disclose that the group has significant headroom to operate with existing funds for the next 12 months. In view of this the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements. For this reason they continue to adopt the going concern basis in the financial statements.

Income

Income is recognised once the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. Where income is received before any work in undertaken amounts are included within deferred income, and the income is then released in line with the delivery of the contracts.

Donations

Donations comprises all income from grants and donations. In accordance with the Charities SORP (FRS 102), volunteer time, is not recognised the financial statements. Donations under Gift Aid together with the associated income tax recoveries are credited as income in the year in which they are received.

Charitable income

Charitable income represents amounts receivable by the charitable company for providing online mentoring services which are aligned with the charity's objectives.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Allocation of overhead and support costs

All overhead and support costs have been allocated to charitable activities.

Fixed asset investment

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value, using closing mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposals are included in the Statement of Financial Activities.

Income from investments is included, together with the related tax credit, in the year in which it is receivable.

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

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation. Depreciation is charged on leasehold improvements, fixtures and fittings and computers which are written off on a straight line basis over their estimated useful life of three years.

Intangible fixed assets

Intangible fixed assets are stated at historic cost less accumulated amortisation. Amortisation is charged on a straight-line basis for software over an estimate useful life of four years.

Debtors

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

Financial instruments

The trust 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.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Restricted funds comprise monies received for, or their use restricted to, a specific purpose or contributions subject to donor imposed conditions

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.

Significant adjustments and key areas of estimation uncertainty

The preparation of financial statements requires the use of certain critical accounting estimates and judgements. It also requires the trustees to exercise judgement in the process of applying accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including an expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the trustees' best knowledge of the amount, event or actions, actual results may differ from those estimates.

Areas requiring the use of estimates and critical judgements that may impact on the charity's financial activities and financial position include estimates of useful economic lives of intangible fixed assets, specifically the online mentoring platform developed by the group.

Notes to the financial statements 31 March 2022

1. Financial results and performance of subsidiary

The Charity has one wholly owned subsidiary, Brightside Social Enterprise Limited, whose principal activity is to provide online mentoring projects to organisations that directly run mentoring projects to young people. The results of Brightside Social Enterprise Limited are consolidated into the group financial statements and a summary of the subsidiary's results for the financial year ended 31 March 2022 is set out below. At midnight on the 31 March 2022 the assets and liabilities were transferred from Brightside Social Enterprise Limited to the parent charity, leaving only the cash and an intercompany loan owed to the parent charity.

	2022 £	2021 £
Income from mentoring projects	1,193,404	931,148
Other income	208,000	—
Charitable expenditure	(1,079,750)	(912,532)
Finance charges payable to the parent undertaking	—	(20,054)
Profit/ (loss) for the year	321,654	(1,438)

Other income of £208,000 relates to the waiver of the loan due to The Brightside Trust at 18th March 2022.

The net assets and liabilities of Brightside Social Enterprise Limited were:

	2022 £	2021 £
Fixed assets	—	151,205
Current assets	257,984	640,874
Creditors: amounts falling due to within one year	(257,984)	(969,644)
Net current liabilities	—	(328,770)
Net liabilities	—	(177,565)
Aggregate share capital and reserves	—	(177,565)

2. Income

	2022 Unrestricted £	2022 Restricted £	2022 Total £	2021 Total £
Charitable activities				
Online Mentoring activity	963,254	—	963,254	898,408
Grants and donations				
Grants	10,000	155,000	165,000	115,000
Donations	53	—	53	62
	10,053	155,000	165,053	115,062
Total income for the year	973,307	155,000	1,128,307	1,013,470

Included within "Online mentoring activities" is £350 (2021: £19,339) of covid support funding relating to staff furloughed in the year and £6,803 of income from the government Kickstart Scheme.

Notes to the financial statements 31 March 2022

3. Expenditure on charitable activities

	2022	2021
	£	£
Direct project expenses	103,124	116,397
Payroll expenses – direct project work	523,185	385,667
Support costs		
Payroll expenses – administrative	281,715	207,667
Travel & accommodation	4,396	24
Overhead and support costs – charitable activities	200,170	176,043
Office Costs	9,500	23,290
IT/ Phone/ Internet Costs	15,178	13,452
Auditors remuneration (governance costs):		
. Audit services	14,104	12,640
. Tax compliance services	1,680	1,600
. Other services	11,104	10,740
Expenditure before grants payable	1,164,156	947,520
Grant payable to the Upside Trust	—	2,268,001
Total expenditure	1,164,156	3,215,521

Included within “Direct project expenses” is £7,351 relating to the Fidelity restricted funds (2021 - £24,413), included within “support costs” is £35,921 relating to the Digital Impact restricted funds (2021- £nil) and included across “payroll expenses” and “support costs” is £172,724 relating to the Spotlight restricted funds.

Payroll costs have been allocated between direct project work and administrative support in the ratio 65:35 respectively. This is based on an analysis of the payroll for the financial year and the allocation of each role between project work and administrative work. It is in line with the apportionments from prior year.

4. Investments

Group	Fixed asset investments 2022 £
Opening market value	1,484,698
Disposal of investments at opening market value	—
Gain in the market value of investments	56,211
At 31 March 2022– at market value	1,540,909
Realised gain on disposal of investment assets	—
Unrealised gain on changes in the market value of investments	56,211
	56,211
Analysis of investments	
Unit trust	1,540,909

Notes to the financial statements 31 March 2022

4. Investments (continued)

<i>Group</i>	<i>Fixed asset investments 2021 £</i>
<i>Opening market value</i>	3,063,862
<i>Disposal of investments at opening market value</i>	(1,925,355)
<i>Gain in the market value of investments</i>	346,191
<i>At 31 March 2021– at market value</i>	<u>1,484,698</u>
 <i>Realised gain on disposal of investment assets</i>	 542,646
<i>Unrealised gain on changes in the market value of investments</i>	<u>346,191</u>
	<u>888,837</u>
 <i>Analysis of investments</i>	
<i>Unit trust</i>	<u>1,484,698</u>

Investments are stated at market value. The Unit Trust is managed by Rothschild and contains a mixture of investments including equities, gifts and cash. All investments are traded in quoted public markets.

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performances sections of the Trustees' Annual Report.

Charity

The charity owns 1 £1 shares, being 100% of the issued share capital, in Brightside Social Enterprises Limited which was incorporated on 11 September 2015.

Movements in the charity's fixed asset investment in the year were as follows:

	Investments in subsidiary companies £	Fixed asset investments £	Total £
Cost and net book value			
At 1 April 2021	—	1,484,698	1,484,698
Gain on movements in fair value	—	56,211	56,211
At 31 March 2022	<u>—</u>	<u>1,540,909</u>	1,540,909
 At 31 March 2021	<u>—</u>	<u>1,484,698</u>	1,484,698

5. Tax

Parent charity

As a Charitable Incorporated Organisation, the parent charity is exempt from Corporation Tax.

Subsidiary

The company does not have a tax liability, although a profit was made in year there were sufficient tax losses brought forward to offset against total taxable profits.

Notes to the financial statements 31 March 2022

6. Intangible fixed assets

Group	Software £
Cost	
At 1 April 2021	620,885
Additions	73,500
Disposals	<u>(8,750)</u>
At 31 March 2022	<u>685,635</u>
Amortisation	
At 1 April 2021	475,197
Provided in the year	74,578
Disposals	<u>(5,305)</u>
At 31 March 2022	<u>544,470</u>
Net book value	
At 31 March 2022	<u>141,165</u>
Net book value	
At 31 March 2021	<u>145,688</u>

Brightside Social Enterprise Limited used an external development agency to build a new online mentoring platform in 2015, to support the activities of the parent charity and the subsidiary company. This went live in September 2016 and the group has continued to invest in the development of this online platform since this date.

The Subsidiary transferred the intangible fixed assets to the Parent Charity as at 31 March 2022.

7. Tangible fixed assets

Group	Computers £	Total £
Cost		
At 1 April 2021	13,015	13,015
Additions	9,637	9,637
Disposals	<u>(1,703)</u>	<u>(1,703)</u>
At 31 March 2022	<u>20,949</u>	<u>20,949</u>
Depreciation		
At 1 April 2021	7,498	7,498
Charge for the year	4,598	4,598
Depreciation eliminated on disposals	<u>(1,703)</u>	<u>(1,703)</u>
At 31 March 2022	<u>10,393</u>	<u>10,393</u>
Net book value		
At 31 March 2022	<u>10,556</u>	<u>10,556</u>
Net book value		
At 31 March 2021	<u>5,517</u>	<u>5,517</u>

7. Tangible fixed assets (continued)

Parent charity

	Computers £	Total £
Cost		
At 1 April 2021	2,795	2,795
Transferred from BSOC	19,856	19,856
Disposals	(1,703)	(1,703)
At 31 March 2022	<u>20,948</u>	<u>20,948</u>
Depreciation		
At 1 April 2021	2,795	2,795
Transferred from BSOC	9,300	9,300
Depreciation eliminated on disposals	(1,703)	(1,703)
At 31 March 2022	<u>10,392</u>	<u>10,392</u>
Net book value		
At 31 March 2022	<u>10,556</u>	<u>10,556</u>
Net book value		
At 31 March 2021	—	—

All tangible fixed assets held by the Parent Charity are used for charitable purposes.

8. Debtors

<i>Group</i>	2022 £	2021 £
Trade debtors	78,826	195,786
Prepayments	10,024	6,943
Accrued income	125,868	19,382
	<u>214,718</u>	<u>222,111</u>
Parent Charity		
Trade Debtors	78,826	—
Prepayments	10,024	37
Accrued income	125,868	—
Intercompany trading balance	257,984	252,672
	<u>472,702</u>	<u>252,709</u>

The intercompany trading balance is due from Brightside Social Enterprise Limited the subsidiary undertaking of the charity.

Notes to the financial statements 31 March 2022

9. Creditors: amounts falling due within one year

Group	2022	2021
	£	£
Trade creditors	14,845	13,594
Other taxes and social security	64,663	113,676
Accruals	36,775	39,363
Other creditors	7,088	8,911
Deferred income	270,386	376,870
	393,757	552,414

Deferred income relates to project income received in advance of the delivery of services.

Parent Charity	2022	2021
	£	£
Trade creditors	14,845	45
Other tax & social security	64,663	—
Accruals	36,775	12,962
Deferred income	270,386	—
Other creditors	7,088	—
	393,757	13,007

10. Financial instruments

Group	2022	2021
	£	£
Financial assets		
Financial assets measured at amortised cost	788,818	986,919
Financial assets measured at fair value through profit or loss	1,540,909	1,484,698
Financial liabilities		
Financial liabilities measured at amortised cost	(51,620)	(61,868)

Financial assets measured at amortised cost comprise cash, trade debtors and accrued income.

Financial assets measured at fair value comprise fixed asset investments with a quoted market price.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

Parent Charity	2022	2021
	£	£
Financial assets		
Financial assets measured at amortised cost	530,834	605,623
Financial assets measured at fair value through profit or loss	1,540,909	1,484,698
Financial liabilities		
Financial liabilities measured at amortised cost	(51,620)	(13,007)

Financial assets measured at amortised cost comprise cash, other debtors, intercompany trading balances, accrued income and trade debtors.

Financial assets measured at fair value comprise fixed asset investments with a quoted market price.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

11. Staff costs and trustees' remuneration – Group and company

	2022 £	2021 £
Salaries	715,780	523,979
Social security costs	69,357	54,492
Pension costs	19,763	14,863
	804,900	593,334
The average weekly number of employees during the year	20	14

Two employees received remuneration amounting to more than £60,000 (two employees in 2021) with one in the bracket of £60,001 - £70,000 and one in the bracket £70,001 - £80,000 (2021 – two employees in the bracket of £60,001 - £70,000).

The trustees do not receive remuneration from the charity or its subsidiary.

No trustees received any payments or reimbursements of expenses from the charity in either year.

The total aggregate remuneration (including employer's pension and national insurance contributions) of key management personnel during the year was £163,299 (2021: £166,799). Key management are the trustees, the CEO and the COO.

12. Funds and reserves

<i>Group</i>	Un restricted funds £	Designated funds		Restricted funds			Total funds £
		Operational funds £	Strategic funds £	Fidelity UK funds £	Digital Impact funds £	Spotlight funds £	
As at 1 April 2021	1,623,374	216,626	-	7,351	-	230,000	2,077,351
Transfers In	-	305,088	-	-	-	105,000	410,088
Transfers Out	(305,088)	(105,000)	-	-	-	-	(410,088)
Income	973,307	-	-	-	50,000	105,000	1,128,307
Expenditure	(837,944)	(110,214)	-	(7,351)	(35,921)	(172,724)	(1,164,154)
Gain on Investment	56,211	-	-	-	-	-	56,211
As at 31 March 2022	1,509,860	306,500	-	-	14,079	267,276	2,097,715

<i>Parent charity</i>	Un restricted funds £	Designated funds		Restricted funds			Total funds £
		Operational funds £	Strategic funds £	Digital Impact funds £	Spotlight funds £		
As at 1 April 2021	1,630,725	216,626	-	-	-	230,000	2,077,351
Transfers In	-	305,088	-	-	-	105,000	410,088
Transfers Out	(305,088)	(105,000)	-	-	-	-	(410,088)
Income	187,618	-	-	-	50,000	105,000	342,618
Expenditure	(203,695)	(110,214)	-	-	(35,921)	(172,724)	(522,554)
Gain on investments	56,211	-	-	-	-	-	56,211
Transfers of assets from subsidiary	144,089	-	-	-	-	-	144,089
As at 31 March 2022	1,509,860	306,500	-	-	14,079	267,276	2,097,715

Unrestricted funds comprise those funds which the Trustees may use in accordance with the Charitable objectives.

12. Funds and reserves (continued)

In the group there are net unrestricted funds of £1.509m (2021: £1.623m) which is almost 16 months operational expenditure of the group.

There were also designated funds of £306,500 at 31 March 2022. During the year trustees reviewed these and allocated funds for Spotlight and Technology over the next few years and for the Business Transfer (spent in year). At year end these funds comprise of:

- ◆ £80,000 for Spotlight for FY22/23 and FY23/24
- ◆ £226,500 for Technology costs for FY22/23, FY23/24 and FY24/25

There are three restricted funds during the year:

- ◆ Fidelity UK Foundation for developments to the CRM system. This work was carried out by the subsidiary and there is a balance on the fund at year end, in the subsidiary of £ Nil (2021: £7,352).
- ◆ A new restricted fund from The Social Business Trust Digital Impact fund (DIF) in October 2021. This grant was to update the Brightside website and as of year-end there was a balance of £14,079 on this fund that had not been spent yet.
- ◆ The Spotlight restricted fund has a balance of £267k at year end.

13. Contingent liabilities

There were no contingent liabilities to disclose at 31 March 2022 or 31 March 2021.

14. Capital commitments

The group and the parent charity has no capital commitments at 31 March 2022 (2021: £nil).

15. Related party transactions

Details of transactions with trustees are set out in note 11.

Trustees consider that The Brightside Trust had no other transactions during the year which need to be disclosed as related party transactions.

16. Loan Waiver

As at the 28th February 2022, a loan of £208,000 was outstanding which was owed from Brightside Social Enterprise Limited. This was waived as part of the Transfer of assets from the subsidiary to the parent charity.

17. Transfer Of Assets and Liabilities

At midnight on the 31 March 2022 the assets and liabilities were transferred from Brightside Social Enterprise Limited to the parent charity for consideration at book value, leaving the cash and an

Notes to the financial statements 31 March 2022

intercompany loan balance owed to the parent charity. The Directors of Brightside Social Enterprise Limited intend to wind up the company in the 22/23 financial year.

18. Post Balance Sheet Events

As of 1 April 2022 the parent charity registered for VAT.

THE BRIGHTSIDE TRUST

England & Wales - Charity number 1159993

Accounts

**The Brightside
Trust**

**Annual Report and Financial
Statements**

31 March 2021

Charity Registration Number
1159993

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Reference and administrative information

Trustees	R Edmunds S Payne J Beard S Dauncey O Borm R Jones P Sidhu G Murgatroyd O Siddiqa
Address	CAN Mezzanine 7-14 Great Dover Street London SE1 4YR
Charity registration number	1159993
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Solicitors	Bates Wells & Braithwaite 10 Queen Street Place London EC4R 1BE
Bankers	Natwest Bank plc 180 London Road Hazel Grove Stockport SK7 4DH

The Trustees present their report together with the audited financial statements for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies set out on page 19 to 21.

The Financial Statements comply with the Charities Act 2011, The Trust Deed, and 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).

Structure, Governance and Management

The Brightside Trust was incorporated as a Charitable Incorporated Organisation (CIO) on 19 January 2015 (registered charity number 1159993). The CIO became an active charity on 1 April 2015 when all the activities, assets and liabilities of the former charity the Brightside Trust (registered charity number 1080243) (the legacy charity) were transferred to the CIO. Brightside Social Enterprise Limited was incorporated on 11 September 2015 and operates as the charity's trading subsidiary.

The aim of the charity and the trading subsidiary is to provide the young people that need it most with knowledge, support and connections so that they can make confident and informed decisions enabling them to fulfil their potential.

The trustees are appointed by the Board and serve for a period of five years after which period they may put themselves forward for re-appointment. The trust deed provides for a minimum of three trustees. The aim of the board is to recruit trustees with skills and experience from a number of complementary areas including education, government and the corporate sector. It is the intention of the trustees to meet quarterly in order to discuss the board strategy and areas for activity including review of major projects, reserves and risk management. Day to day management of the Trust is delegated to a chief executive with supervision from the chairman and treasurer. The trustees who have served during the year are set out on page 1.

New trustees are given a detailed induction briefing by the organisation and are also required to attend half a day's training at Brightside where they are briefed by members from all levels of the organisation and are given a demonstration of the mentoring platform.

Pay and remuneration of the Chief Executive is set by the Chair of Trustees in consultation with the Board of Trustees. The pay and remuneration of the Senior Management Team is set by the Chief Executive in consultation with the Chair of Trustees.

Key management personnel

The trustees consider that the board of trustees and two employees comprise the key management personnel, the Chief Executive and the Chief Operating Officer, who are in charge of directing and controlling, running and operating the group on a day to day basis.

The trustees give their time freely and no trustee received remuneration in the year.

The pay of the employees is reviewed annually by the trustees.

Risk management

The trustees have examined the major strategic, operational and reputational risks which the charity faces and confirm processes have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. In addition, the senior management team review key risks on a monthly basis to ensure these are mitigated.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, such as Brexit, the attitude of investors to investment risk, and changes in sentiment incurring equities.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to the intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield and total return and historic studies of quoted financial instruments have shown that volatility in any particular five year period will normally be corrected.

Trustees

The trustees who served throughout the year and to the date of approval of these financial statements, were as follows:

J Berry – resigned 31 December 2020
J Heron – resigned 31 December 2020
J Selby – term of office ended 31 January 2021
R Anderson - term of office ended 31 January 2021
R Edmunds
S Payne
L Byrne – resigned 31 January 2021
J Beard
S Dauncey – appointed 1 March 2021
O Borm – appointed 1 March 2021
R Jones – appointed 1 March 2021
P Sidhu – appointed 1 March 2021
G Murgatroyd – appointed 1 March 2021
O Siddiqi – appointed 1 March 2021

Trustees' responsibilities statement

The trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

The Charities Act 2011 and regulations made thereunder requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, 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 set out in the 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);
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Association will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, and regulations made thereunder and the provisions for 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charity'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.

Objectives, activities, performance and future plans

Overview

The many adjectives used to describe the experience of working through the COVID-19 global pandemic ring true for Brightside. The pandemic has indeed been unprecedented, disruptive, and challenging. During 2020/21 Brightside has undergone significant changes both planned, in the change of leadership, and unplanned in moving to a fully remote team and seen a significant increase in demand for our digital services. Ultimately, despite, and in some cases, because of, challenge, we view 2020/21 as a successful year where we have begun to realise our potential and look to an ambitious future.

2020/21 Reach



Our team and our technology have proven to be flexible, creative and able to meet young people wherever they are in their decision-making journey, to affect positive and, as our longitudinal tracking once again shows, long lasting change. The effect of the pandemic has and will continue to hit those from lower socio-economic backgrounds the hardest, and only as we move into 'recovery' will we truly understand to what scale. What we do know is that digital outreach will remain crucial and Brightside is prepared to provide proven, high quality, high impact online mentoring for those who need it most.

March 2023 Vision

In June 2020, CEO Anand Shukla left the organisation after five years and longstanding members of the Senior Leadership Team, Laura Gray and Rachel Pigott stepped up into the roles of CEO & COO respectively. Recognising the need to provide focus and grounding for the team during a time of heightened disruption they set a new, focused vision for March 2023.

With the two overarching and interlinked priorities of becoming a sustainable and impact led organisation, we are currently working towards the below ambitious vision. In essence we are looking to broaden our offer to young people by developing programmes which are able to support any route to success.

In order to support this vision two new roles were introduced into the Senior Leadership Team, Head of Business Development and Head of Impact. Both roles have reaped rewards during 2020/21 with the Head of Business Development building a focused income generation plan to support our 'programmes for all' target and the Head of Impact introducing new processes to embed learning into the Programmes Team working practices as well as completing our most comprehensive Impact Report to date.



Financial Overview

Following a challenging 19/20 and with the scale and effects of the global pandemic being realised as we moved into 20/21, the Senior Leadership Team (with full support from the board) responded quickly and carried out detailed scenario planning. As part of our mitigation approach we undertook a cost saving exercise as early as possible, furloughing seven members of the staff team during May and June and giving notice on our office.

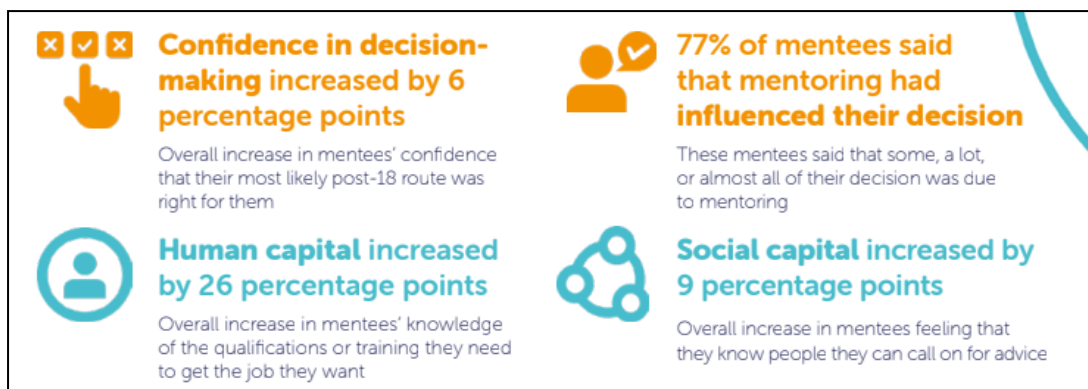
Thanks to this careful cost management, a focused income generation plan and an increase in demand for our digital services we secured numerous new partnerships during 20/21 which resulted in a 39% increase in income and a trading surplus, before external grants given.

2020/21: The Power of Online Mentoring

Brightside's mission to help young people make confident and informed decisions about their future is complex in that at its heart is the requirement to impart knowledge, build social capital and develop behavioural skills around coping, hope, growth mindset & self-efficacy. We have a robust approach to measuring the effects of our work on young people and an impact strategy which prioritises consistent impact measurement, growing and deepening our impact and sharing our learning.

In 20/21 we matched 9,400 young people, 61% of whom came from regions with the lowest socio-economic regions in the UK. Over 570,000 messages were exchanged between mentees & mentors across our safe, secure mentoring platform and our latest impact analysis reports increases in confident & informed decisions making, human and social capital and that 77% of mentees who complete our exit survey stated that Brightside mentoring influenced their confidence in their decision.





As part of our impact measurement we are committed to analysing the long-term outcomes of those who have received online mentoring. Our long-term tracking is completed via our membership to the Higher Education Access Tracker (HEAT) and once again analysis shows that students from the lowest participation groups (POLAR4 Q1&2) who receive Brightside mentoring are three times more likely to be in higher education than those who don't.¹

Response to COVID-19

The closure of schools, universities and the workplace resulted in the cancellation of the structures, support networks and defining experiences which help young people to realise their aspirations. The face to face activities such as work experience, summer schools and encounters with role models could not take place and Brightside reacted quickly to support both new and long-standing partners to translate their face to face interventions onto the online context.

"As we had previously worked with Brightside Mentoring, the sudden shift to full online provision meant that we knew that we could rely on a safe and versatile platform to continue with our school engagement. The Mentor Matching Tool enabled us to embed another layer of student agency within our work, whilst the Communities function has widened our coverage to include speakers who have shared their own professional experiences. We continue to enjoy working with Brightside and piloting the new features so that they further enrich our opportunities for students and, increasingly, their supporters."

Rob Thatcher, Senior Widening Participation & Outreach Officer

1. National Programmes

In May 2020, Year 13 learners and offer-holders faced cancelled exams, school and college closures, and unprecedented disruption to their education. In response, we designed and launched our first national online mentoring programme: Prepare for HE. This brought nine universities and consortia of universities together in partnership and successfully supported 500 students as they transitioned into university. Following the success of this programme we have launched three more national programmes; Bright Carers, which targets young people with caring responsibilities;

¹ From an analysis of the education trajectory of 7,900 students who were registered on a Brightside programme between 2010/11 and 2016/17, who were 'HE-ready' (at least 18 years of age) between 2015/16 and 2018/19. The analysis looked at two groups, 5,200 students that registered on the Brightside platform and engaged with online mentoring, and a quasi-control group of 2,700 students that registered on the Brightside platform but did not send more than two messages to their mentor.

Brightside Mentoring, which supports year 9 – 13 students and a second year of Prepare for HE.

2. Digital Outreach Series

Brightside recognised that with nearly 20 years' experience of delivering digital outreach we were in a unique position to support peers across the sector as they began to translate activities online. Across April and May we ran a series of seven Digital Outreach webinars for the Widening Participation Sector covering subjects such as 'designing online projects', 'online safeguarding' and 'moving summer schools online. The webinars were hugely popular with 700 attendees.

Brightside Schools Network

Following the initial pilot of the Brightside Schools Network in South Yorkshire and the South West we were due to expand project delivery into twelve schools during the 2020/21 academic year. The disruption caused by COVID-19 led to the majority of schools being unable to facilitate our offer, as they concentrated on the challenge of remote schooling. We were still able to support three schools and 223 young people through our Ask the Expert intervention, providing access to role models and sector experts.

In early 2021 we successfully applied to a grant giving foundation to support the growth of the Schools Networks over the next four years. The investment from the grant foundation has been matched through our own reserves and we are excited to be able to use this funding to support 72 schools and reach over 40,000 young people over the next four years, with the long term aim of building a fully sustainable network which embeds Brightside into the community and meets the needs of schools directly.

"From a teacher's perspective the opportunity for my students to have their writing and film or podcast productions valued and taken seriously by adults outside the circle of education or family has been one of the elements which I have appreciated the most. I have seen our students flourish and develop through being involved with the mentoring scheme and would say that in my 34-year career as an English teacher it has been one of the most transformational enrichment activities I have been involved with."

Sian Gaston, Lecturer in English at Truro College

Governance

Alongside the change in leadership in the executive team, 2020/21 also saw changes at a board level. In December 2020 John Berry and James Heron stood down as Chair and Treasurer. Stuart Payne and Rose Edmunds, who have been on the Brightside board for many years, took on the Chair and Treasurer roles respectively. John Selby, Rolande Anderson and Louise Byrne also stepped down at the end of their terms of office. Following an exercise to identify what skills and experience were needed, the vacant trustee positions were advertised. From more than fifty applications, fifteen candidates were shortlisted and interviewed by a panel. At the end of this process, six new trustees were appointed in March 2021.

Donation

Brightside has held £2M - £3M in Designated Strategic Reserves for a number of years. These were held for future initiatives not related to current operational activities; in particular making grants to other organisations in line with the Brightside mission. This year, after a review on how to maximise the impact of these funds, the board concluded that the grant-making activity should be conducted by a third party, so as not to distract Brightside from its principal activities. The board therefore agreed that they would support the creation of a new charity for this purpose, to be overseen by the outgoing Chair and Treasurer, John Berry and James Heron.

Following their departure from Brightside, John and James, together with a third trustee, Simon Farr, established a new UK charity, The Upside Trust (charity number 1192938), whose objects are “the advancement of education and the provision of relief to those in need by reason of youth, financial hardship or other disadvantage...and relieving unemployment”. Upside will provide grants to other organisations in line with the Brightside mission, with a particular focus on grants to support overseas initiatives.

At the same time, The Brightside board reviewed the reserves position and concluded that a total of £2,268K was surplus to requirements for mentoring operations. Accordingly, in March 2021, the trustees approved a donation of this sum to the Upside Trust.

The donation was given in the form of units from the unit trust and is governed through a Deed of Grant signed by both Brightside and The Upside Trust. Under the terms of this deed, Upside is obliged to report annually to the Brightside trustees on their activities and impact until such time as the donation is spent.

2021/22 Overview

The momentum built in 20/21 has continued into 2021/22 and we continue to focus our attention on growing partnerships which enable us to fulfil our 2023 Vision of reaching 15,000 young people through mentoring, supporting 33 schools and providing programmes and technology which support all pathways to success. In order to achieve these ambitions and to grow our Schools Network in line with our four year plan we are building capacity within the programmes team as well as the marketing function and expect to grow to a team of 22. We will continue to invest in our technology and have identified initiatives to further improve the conversion of young people from interested to fully engaged mentees.

Our new board structures will introduce six Sub-Committees to allow for focused time and expertise on specific works streams and additional governance around the Schools Network, Finance & Risk and the employee experience.

Financial review

The group received income of £1,013k (2020: £728,296) during the year from a number of sources including universities, other third sector organisations and corporates. This represents 39% growth year on year. Income for the year to 31 March 2022 is forecast to be in the region of £1,020k representing year on year growth of 1%. The organisation is still ambitious, but does not expect to replicate the same level of growth in the year to 31 March 2021.

The trading subsidiary made a year loss of £1,438 (2020: £370,445) for the year, a significant turnaround from the previous year due to both an increase in income and a decrease in expenditure. The trustees of the parent company have provided assurance to the directors of the trading subsidiary that they commit to supporting Brightside Social Enterprise Limited in its trading activity for at least 12 months from the signing of these accounts. Trustees consider this an appropriate use of charity funds, based on the condition that all trading continues to be in line with the charitable purposes of the Brightside Trust, it does not pose any significant risk to the charity and the use of these funds are considered value for money. Trustees have confirmed they are not seeking a financial return on this support and that value is delivered in terms of a social return.

Expenditure, including direct project expenditure and running costs, totalled £3,216k (2020: £1,158k) of which £2,268k was a grant given to Upside Trust.

Investment policy

Our investment objective is to preserve the value of capital in real terms, in order to provide funds for future activities. Our investment is managed by Rothschild Private Fund Management, and comprises a holding of Accumulation Units in the Glenhuntley Portfolio Trust. We have confidence in our Investment Manager's abilities to look after our funds wisely in ever changing financial markets, and are satisfied with their current performance which we review quarterly.

Reserves

It is the policy of the charity to maintain unrestricted reserves at a level which equates to a minimum of nine months unrestricted expenditure. The trustees consider that this level will ensure the short-term financial sustainability of the organisation and that existing obligations to beneficiaries can be met, irrespective of changes to income. In addition, this includes sufficient cash to fund any short-term working capital requirements.

The charity has two Restricted reserves, one for the funding from the Fidelity UK Foundation and a new one this year for the grant funding for the Schools Network from AKO Foundation. The charity also holds designated reserves created by funds received from the sale of investments in prior years. The designations include:

- £217k (2020: £398k) in Designated Operational Reserves for immediate operational priorities relating to the existing Brightside activities. This includes investment in technology and impact measurement, seed funding for the Schools Network launched during FY19/20 and match funding of £115k for the grant received for the Schools Network. Trustees will approve spending from this fund based on each business case presented, articulating the future benefits to the organisation.
- £0k (2020: £2.5m) in Designated Strategic Reserves. This was held for future strategic initiatives not related to the current operational activities of Brightside and £2,268k has been donated from this fund to Upside Trust during the year. The balance has been transferred to the Unrestricted fund.
- Trustees plan to review the designated funds during the year to 31 March 2022.

This leaves net unrestricted funds of £1,623k (2020: £460k) which is almost 21 months operational expenditure of the group (excluding the one-off grant to Upside).

Fundraising

The group does not actively solicit donations from the public and is therefore not registered with the Fundraising Regulator and does not subscribe to any fund-raising codes of practice.

Should donations from individuals be received, the group would aim to protect personal data and would never sell data or swap data with other organisations and undertake to react to and investigate any complaints regarding fundraising activities and to learn from them and improve the service.

Volunteers

The Trust relies heavily on the willingness of volunteers to provide our online mentoring. The Trust recruits, inducts, trains and supports volunteers to mentor young people on the online platform.

We would like to take this opportunity to thank all of our volunteers who are critical to our success and the impact we have on the young people we work with.

Employees

The Brightside Trust is an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are reviewed to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunity and, where appropriate and possible, special training to enable them to progress both within and outside the organisation. The Trust is committed to a programme of action to make this policy effective.

Public benefit

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning the future activities of the Trust. These are shown above in the section 'Objectives and activities'.

Approval

Approved by the trustees and signed on their behalf by:

A handwritten signature in dark ink, appearing to read 'R m ed l s', written in a cursive style.

R Edmunds
Trustee

Date: 19.11.2021

Independent auditor's report to the trustees of The Brightside Trust

Opinion

We have audited the financial statements of The Brightside Trust ('the parent charity') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the consolidated and parent charity balance sheets, the consolidated statement of cash flows and 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 group and of the parent charity's affairs as at 31 March 2021 and of the group 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 Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "auditor's responsibilities for the audit of the 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 accounts, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the accounts 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 group and parent charity's ability to continue as a going concern for a period of at least twelve months from when the accounts 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 we do not express any form of assurance conclusion thereon.

Other information (continued)

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.

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 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 Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of the trustees

As explained more fully in the Trustees' Responsibilities Statement, 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Auditor's 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.

Auditor's responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant are the Charities SORP FRS 102, the Charities Act 2011, employment legislation and Health & Safety regulations.
- We understood how the charity is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of minutes from trustee meetings and papers provided to the trustees.
- We assessed the susceptibility of the charity's financial statements to material misstatements, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design and implementation of controls in place to prevent and detect fraud;
 - Challenging assumptions and judgments made by management and the trustees in its significant accounting estimates;
 - Identifying and testing journal entries, in particular adjustments made at the year-end for financial statement preparation; and
 - Assessing the extent of compliance with relevant laws and regulations by reviewing correspondence with regulators and legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be 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 31 March 2021

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and with regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Buzzacott LLP". The signature is written in a cursive, slightly slanted style.

15.12.2021

Hugh Swainson

For and behalf of Buzzacott LLP, Statutory Auditor

130 Wood Street

London

EC2V 6DL

Consolidated Statement of financial activities Year to 31 March 2021

	Notes	Year ended 31 March 2021 Unrestricted funds £	Year ended 31 March 2021 Restricted funds £	Year ended 31 March 2021 Total funds £	Year ended 31 March 2020 Total funds £
Income from:					
Grants and donations	2	62	115,000	115,062	96,722
Charitable activities	2	898,408	—	898,408	631,574
Total income		898,470	115,000	1,013,470	728,296
Expenditure on:					
Charitable activities:	3				
. Direct projects and administrative support		(923,107)	(24,413)	(947,520)	(1,157,769)
. Grants payable		(2,268,001)	—	(2,268,001)	—
Total expenditure		(3,191,108)	(24,413)	(3,215,521)	(1,157,769)
Net (expenditure) income before gains (losses) on investments		(2,292,638)	90,587	(2,202,051)	(429,473)
Gains/(losses) on investments	4	888,837	—	888,837	(77,627)
Net (deficit) surplus for the year and net movement in funds		(1,403,801)	90,587	(1,313,214)	(507,100)
Total funds brought forward		3,358,800	31,765	3,390,565	3,897,665
Total funds carried forward	12	1,954,999	122,352	2,077,351	3,390,565

The results relate wholly to continuing activities.

Parent charity and consolidated balance sheet 31 March 2021

	Notes	Consolidated 2021 £	Charity 2021 £	Consolidated 2020 £	Charity 2020 £
Fixed assets					
Investments	4	1,484,698	1,484,698	3,063,862	3,063,862
Intangible assets	6	145,688	—	183,728	—
Tangible fixed assets	7	5,517	—	4,167	126
		1,635,903	1,484,698	3,251,757	3,063,988
Current assets					
Cash at bank and in hand		771,751	352,951	306,101	173,734
Debtors	8	222,111	252,709	100,333	159,808
		993,862	605,660	406,434	333,542
Creditors: amounts falling due within one year	9	(552,414)	(13,007)	(267,626)	(6,965)
Net current assets		441,448	592,653	138,808	326,577
Net assets		2,077,351	2,077,351	3,390,565	3,390,565
Charity funds					
Unrestricted funds		1,840,000	1,847,351	3,358,800	3,390,565
Restricted funds		237,351	230,000	31,765	—
Total funds	12	2,077,351	2,077,351	3,390,565	3,390,565

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

R m edms

R Edmunds
Trustee

Date: 19/11/2021

Consolidated statement of cash flows 31 March 2021

	2021 £	2020 £
Net cash used in operating activities		
Net deficit for the year	(1,313,214)	(507,100)
(Gain)/loss on changes in fair value of investments	(346,191)	88,842
Profit realised on sale of investments	(542,646)	(11,215)
(Increase)/decrease in debtors	(121,778)	139,372
Increase/(decrease) in creditors	284,788	(17,172)
Depreciation	4,226	4,658
Amortisation	104,540	129,481
	<u>(1,930,275)</u>	<u>(173,134)</u>
Cash flow from investing activities		
Proceeds from sale of investments	2,468,001	200,000
Purchase of tangible fixed assets	(5,576)	(1,109)
Purchase of intangible fixed assets	(66,500)	(110,421)
Net cash provided by investing activities	<u>2,395,925</u>	<u>88,470</u>
Change in cash and cash equivalents	465,650	(84,664)
Cash and cash equivalents brought forward	306,101	390,765
Cash and cash equivalents carried forward	<u>771,751</u>	<u>306,101</u>

There is no difference between the change in cash and cash equivalents and the change in net debt. The group has no borrowings, finance lease obligations or foreign exchange rate movements.

Analysis of cash and cash equivalents	2021 £	2020 £
Cash at bank and in hand	771,751	306,101
Total cash and cash equivalents	<u>771,751</u>	<u>306,101</u>

Legal information

The Brightside Trust is a Charitable Incorporated Organisation (Charity no. 1159993) and owns 100% of the issued share capital of Brightside Social Enterprise Limited, a limited company (Company no. 09774291). Both organisations' registered office is CAN Mezzanine, 7-14 Great Dover Street, London, SE1 4YR.

The group delivers public benefit by providing support to young people as set out in the report of the trustees.

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) (effective 1 January 2015) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. The financial statements have been prepared under the historical cost convention except for modification as specified in the accounting policies below.

The Brightside Trust 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.

The group financial statements consolidate those of the parent charity and its subsidiary undertaking drawn up to 31 March 2021 on a line by line basis, eliminating inter-group transactions. These financial statements represent twelve months activities of the Brightside Trust and the Brightside Social Enterprise Limited.

The net expenditure for The Brightside Trust, the CIO, was £1,313,214 for the year (2020: net expenditure of £507,100).

The financial statements are presented in sterling (£).

Going concern

Forecasts have been prepared which disclose that the group has significant headroom to operate with existing funds for the next 12 months. The impact of coronavirus has been taken into account when reviewing future plans and forecasts. In view of this the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements. For this reason they continue to adopt the going concern basis in the financial statements.

Income

Income is recognised once the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. Where income is received before any work in undertaken amounts are included within deferred grants, income is then released in line with the delivery of the contracts.

Donations

Donations comprises all income from grants and donations. In accordance with the Charities SORP (FRS 102), volunteer time, is not recognised the financial statements. Donations under Gift Aid together with the associated income tax recoveries are credited as income in the year in which they are received.

Charitable income

Charitable income represents amounts receivable by the charitable company for providing online mentoring services which are aligned with the charity's objectives.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation committing the charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

Allocation of overhead and support costs

All overhead and support costs have been allocated to charitable activities.

Fixed asset investment

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value, using closing mid-market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposals are included in the Statement of Financial Activities.

Income from investments is included, together with the related tax credit, in the year in which it is receivable.

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

Investment in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation. Depreciation is charged on leasehold improvements, fixtures and fittings and computers which are written off on a straight line basis over their estimated useful life of three years.

Intangible fixed assets

Intangible fixed assets are stated at historic cost less accumulated amortisation. Amortisation is charged on a straight-line basis for software over an estimate useful life of four years.

Debtors

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

Financial instruments

The trust 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.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Restricted funds comprise monies received for, or their use restricted to, a specific purpose or contributions subject to donor imposed conditions

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.

Significant adjustments and key areas of estimation uncertainty

The preparation of financial statements requires the use of certain critical accounting estimates and judgements. It also requires the trustees to exercise judgement in the process of applying accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including an expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the trustees' best knowledge of the amount, event or actions, actual results may differ from those estimates.

Areas requiring the use of estimates and critical judgements that may impact on the charity's financial activities and financial position include estimates of useful economic lives of intangible fixed assets, specifically the online mentoring platform developed by the group.

1. Financial results and performance of subsidiary

The Charity has one wholly owned subsidiary, Brightside Social Enterprise Limited, whose principal activity is to provide online mentoring projects to organisations that directly run mentoring projects to young people. The results of Brightside Social Enterprise Limited are consolidated into the group financial statements and a summary of the subsidiary's results for the financial year ended 31 March 2021 is set out below:

	2021 £	2020 £
Income from mentoring projects	931,148	764,460
Charitable expenditure	(912,532)	(1,127,821)
Finance charges payable to the parent undertaking	(20,054)	(7,084)
Loss for the year	(1,438)	(370,445)

The net assets and liabilities of Brightside Social Enterprise Limited were:

	2021 £	2020 £
Fixed assets	151,205	187,769
Current assets	640,874	223,083
Creditors: amounts falling due to within one year	(969,644)	(586,979)
Net current liabilities	(328,770)	(363,896)
Net liabilities	(177,565)	(176,127)
Aggregate share capital and reserves	(177,565)	(176,127)

2. Income

	2021 Unrestricted £	2021 Restricted £	2021 Total £	2020 Total £
Charitable activities				
Online Mentoring activity	898,408	—	898,408	631,574
Grants and donations				
Grants	—	115,000	115,000	96,674
Donations	62	—	62	48
	62	115,000	115,062	96,722
Total income for the year	898,470	115,000	1,013,470	728,296

Included within "Online mentoring activities" is £19,339 of covid support funding relating to staff furloughed in the year.

3. Expenditure on charitable activities

	2021 £	2020 £
Direct project expenses	116,397	139,804
Payroll expenses – direct project work	385,667	448,327
Payroll expenses – administrative	207,667	241,358
Travel & accommodation	24	5,474
Overhead and support costs – charitable activities	176,043	219,179
Office Costs	23,290	70,089
IT/ Phone/ Internet Costs	13,452	17,538
Auditors remuneration (governance costs):		
. Audit services	12,640	11,700
. Tax compliance services	1,600	2,000
. Other services	10,740	2,300
Expenditure before grants payable	947,520	1,157,769
Grant payable to the Upside Trust	2,268,001	—
Total expenditure	3,215,521	1,157,769

Included within “Direct project expenses” is £24,413 relating to the Fidelity restricted funds (2020 - £40,696).

Payroll costs have been allocated between direct project work and administrative support in the ratio 65:35 respectively. This is based on an analysis of the payroll for the financial year and the allocation of each role between project work and administrative work. It is in line with the apportionments from prior year.

4. Investments

Group	Fixed asset investments 2021 £
Opening market value	3,063,862
Disposal of investments at opening market value	(1,925,355)
Gain in the market value of investments	346,191
At 31 March 2021– at market value	1,484,698
Realised gain on disposal of investment assets	542,646
Unrealised gain on changes in the market value of investments	346,191
	888,837
Analysis of investments	
Unit trust	1,484,698

4. Investments (continued)

	<i>Fixed asset investments</i>
	2020
<i>Group</i>	£
<i>Opening market value</i>	3,341,489
<i>Disposal of investments at opening market value</i>	(188,785)
<i>Loss in the market value of investments</i>	(88,842)
<i>At 31 March 2020– at market value</i>	<u>3,063,862</u>
<i>Realised gain on disposal of investment assets</i>	11,215
<i>Unrealised loss on changes in the market value of investments</i>	(88,842)
	<u>(77,627)</u>
<i>Analysis of investments</i>	
<i>Unit trust</i>	<u>3,063,862</u>

Investments are stated at market value. The Unit Trust is managed by Rothschild and contains a mixture of investments including equities, gifts and cash. All investments are traded in quoted public markets.

The significance of financial instruments to the ongoing financial sustainability of the Charity is considered in the financial review and investment policy and performances sections of the Trustees' Annual Report.

Charity

The charity owns 500,001 £1 shares, being 100% of the issued share capital, in Brightside Social Enterprises Limited which was incorporated on 11 September 2015.

Movements in the charity's fixed asset investment in the year were as follows:

	Investments in subsidiary companies £	Fixed asset investments £	Total £
Cost and net book value			
At 1 April 2020	—	3,063,862	3,063,862
Impairment provision	—	—	—
Disposal of investments	—	(1,925,355)	(1,925,355)
Gain on movements in fair value	—	346,191	346,191
At 31 March 2021	<u>—</u>	<u>1,484,698</u>	<u>1,484,698</u>
At 31 March 2020	<u>—</u>	<u>3,063,862</u>	<u>3,063,862</u>

Impairment provisions have been made against the full investment in the subsidiary company, due to its net liability position at 31 March 2021.

5. Tax

Parent charity

As a Charitable Incorporated Organisation, the parent charity is exempt from Corporation Tax.

Subsidiary

The company does not have a tax liability as no profit was made in the year. The directors intend to transfer any profits made to the charitable holding company, the Brightside Trust, subject to adequate reserves being available.

6. Intangible fixed assets

Group	Software £
Cost	
At 1 April 2020	554,385
Additions	66,500
At 31 March 2021	<u>620,885</u>
Amortisation	
At 1 April 2020	370,657
Provided in the year	104,540
At 31 March 2021	<u>475,197</u>
Net book value	
At 31 March 2021	<u>145,688</u>
Net book value	
At 31 March 2020	<u>183,728</u>

Brightside Social Enterprise Limited used an external development agency to build a new online mentoring platform in 2015, to support the activities of the parent charity and the subsidiary company. This went live in September 2016 and the group has continued to invest in the development of this online platform since this date.

The Parent Charity does not hold any intangible fixed assets.

7. Tangible fixed assets

Group

	Computers £	Fixtures and fittings £	Leasehold Improve- ments £	Total £
Cost				
At 1 April 2020	146,123	3,474	7,888	157,485
Additions	5,576	—	—	5,576
Disposals	(138,684)	(3,474)	(7,888)	(150,046)
At 31 March 2021	13,015	—	—	13,015
Depreciation				
At 1 April 2020	141,956	3,474	7,888	153,318
Charge for the year	4,226	—	—	4,226
Depreciation eliminated on disposals	(138,684)	—	—	(150,046)
At 31 March 2021	7,498	—	—	7,498
Net book value				
At 31 March 2021	5,517	—	—	5,517
Net book value				
At 31 March 2020	4,167	—	—	4,167
Parent charity				
	Computers £	Fixtures and fittings £	Leasehold Improve- ments £	Total £
Cost				
At 1 April 2020	134,177	3,474	7,888	145,539
Disposals	(131,382)	(3,474)	(7,888)	(142,744)
At 31 March 2021	2,795	—	—	2,795
Depreciation				
At 1 April 2020	134,051	3,474	7,888	145,413
Charge for the year	126	—	—	126
Depreciation eliminated on disposals	(131,382)	(3,474)	(7,888)	(142,744)
At 31 March 2021	2,795	—	—	2,795
Net book value				
At 31 March 2021	—	—	—	—
Net book value				
At 31 March 2020	126	—	—	126

All tangible fixed assets held by the Parent Charity are used for charitable purposes.

8. Debtors

Group	2021 £	2020 £
Trade debtors	195,786	60,365
Prepayments	6,943	31,979
Other debtors	—	446
Accrued income	19,382	7,543
	222,111	100,333
Parent Charity	2021 £	2020 £
Prepayments	37	9,618
Intercompany trading balance	252,672	150,190
	252,709	159,808

The intercompany trading balance is due from Brightside Social Enterprise Limited the subsidiary undertaking of the charity.

9. Creditors: amounts falling due within one year

Group	2021 £	2020 £
Trade creditors	13,594	35,414
Other taxes and social security	113,676	28,315
Accruals	39,363	41,501
Other creditors	8,911	5,587
Deferred income	376,870	156,809
	552,414	267,626
Parent Charity	2021 £	2020 £
Trade creditors	45	204
Accruals	12,962	6,761
	13,007	6,965

Deferred income relates to project income received in advance of the delivery of services.

10. Financial instruments

Group	2021 £	2020 £
Financial assets		
Financial assets measured at amortised cost	986,919	374,455
Financial assets measured at fair value through profit or loss	1,484,698	3,063,862
Financial liabilities		
Financial liabilities measured at amortised cost	(61,868)	(82,502)

Financial assets measured at amortised cost comprise cash, trade debtors and accrued income.

Financial assets measured at fair value comprise fixed asset investments with a quoted market price.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

Parent Charity	2021 £	2020 £
Financial assets		
Financial assets measured at amortised cost	605,623	323,924
Financial assets measured at fair value through profit or loss	1,484,698	3,063,862
Financial liabilities		
Financial liabilities measured at amortised cost	(13,007)	(6,965)

Financial assets measured at amortised cost comprise cash, other debtors, intercompany trading balances, accrued income and trade debtors.

Financial assets measured at fair value comprise fixed asset investments with a quoted market price.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

11. Staff costs and trustees' remuneration – Group and company

	2021 £	2020 £
Salaries	523,979	613,034
Social security costs	54,492	59,598
Pension costs	14,863	16,963
	593,334	689,595
The average weekly number of employees during the year	14	17

Two employees received remuneration amounting to more than £60,000 (two employees in 2020) with their remuneration in the bracket of £60,001 - £70,000 (2020 – one employee in the bracket of £60,001 - £70,000 and one employee for the bracket of £70,001 - £80,000).

The trustees do not receive remuneration from the charity or its subsidiary.

11. Staff costs and trustees' remuneration – Group and company (continued)

No trustees received any payments or reimbursements of expenses from the charity in either year.

The total aggregate remuneration (including employer's pension and national insurance contributions) of key management personnel during the year was £166,799 (2020: £221,427). Key management are the trustees, the CEO and the COO.

12. Funds and reserves

Group	Unrestricted funds £	Designated funds		Restricted funds £	Total funds £
		Operational funds £	Strategic funds £		
As at 1 April 2020	460,493	398,307	2,500,000	31,765	3,390,565
Income	898,470	—	—	115,000	1,013,470
Expenditure	(856,425)	(66,681)	(2,268,001)	(24,414)	(3,215,521)
Transfers	231,999	(115,000)	(231,999)	115,000	—
Gain on investments	888,837	—	—	—	888,837
As at 31 March 2021	1,623,374	216,626	—	237,351	2,077,351

Parent charity	Unrestricted funds £	Designated funds		Restricted funds £	Total funds £
		Operational funds £	Strategic funds £		
As at 1 April 2020	492,258	398,307	2,500,000	—	3,390,565
Income	31,116	—	—	115,000	146,116
Expenditure	(13,485)	(66,681)	(2,268,001)	—	(2,348,167)
Transfers	231,999	(115,000)	(231,999)	115,000	—
Gain on investments	888,837	—	—	—	888,837
As at 31 March 2021	1,630,725	216,626	—	230,000	2,077,351

Unrestricted funds comprise those funds which the Trustees may use in accordance with the Charitable objectives. The charity also holds designated reserves created by funds received from the sale of investments in prior years. The designations include:

- £217k (2020: £398k) in Designated Operational Reserves for immediate operational priorities relating to the existing Brightside activities. This includes investment in technology and impact measurement, seed funding for the Schools Network launched during FY19/20 and match funding of £115k for the Schools Network for the year ahead. Trustees will approve spending from this fund based on each business case presented, articulating the future benefits to the organisation.
- £0k (2020: £2.5m) in Designated Strategic Reserves. This was held for future strategic initiatives not related to the current operational activities of Brightside and £2,268k has been donated from this fund to Upside Trust during the year. The balance has been transferred to the Unrestricted fund.
- Trustees plan to review the designated funds during the year to 31 March 2022.

This leaves net unrestricted funds of £1,623k (2020: £460k) which is almost 21 months operational expenditure of the group (excluding the one-off grant to Upside).

There is a Restricted fund related to a grant from the Fidelity UK Foundation for developments to the CRM system. This work is being carried out by the subsidiary and there is a balance on the fund at year end, in the subsidiary of £7,352 (2020: £31,765).

12. Funds and reserves (continued)

There is a new Restricted fund related to a grant from The AKO Foundation in February 2021, to expand the Schools Network. There has been no expenditure this year and therefore the full balance is still showing on the fund at year end, with the match funding transferred from the Designated Operational Reserves for this work.

13. Contingent liabilities

There were no contingent liabilities to disclose at 31 March 2021 or 31 March 2020.

14. Capital commitments

The group and the parent charity has no capital commitments at 31 March 2021 (2020: £nil).

15. Related party transactions

Details of transactions with trustees are set out in note 11.

As outlined above, this year the Brightside board, after a review on how to maximise the impact of its reserves over and above the mentoring activities, concluded that grant-making activity should be conducted by a third party, so as not to distract Brightside from its principal activities. The board therefore agreed that they would support the creation of a new charity for this purpose, to be overseen by the outgoing Chair and Treasurer, John Berry and James Heron, The Upside Trust (charity number 1192938). In March 2021, the Brightside board donated £2,268k. The donation was given in the form of units from the unit trust and is governed through a Deed of Grant signed by both Brightside and The Upside Trust. Under the terms of this deed, Upside is obliged to report annually to the Brightside trustees on their activities and impact until such time as the donation is spent.

Trustees consider that The Brightside Trust had no other transactions during the year which need to be disclosed as related party transactions.