

Company Registration Number 09595920

Charity Number 1162036

**BIG WIN PHILANTHROPY
(A COMPANY LIMITED BY GUARANTEE)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 December 2020**

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Big Win Philanthropy

Legal and Administrative Information

Registered office	10 Queen Street Place London EC4R 1BE
Company number	09595920 (incorporated in England and Wales)
Registered charity number	1162036
Trustees	Jamie Cooper (Chair) Suprotik Basu Nikos Makris Malik Dechambenoit Mark Dybul Dzingai Mutumbuka Luisa Diogo Michelle Harrison
President (<i>pro bono</i>)	Jamie Cooper
Chief Executive Officer	Dr. Kesete Admasu
Chief Operating Officer	Christopher J. Klatell
Bankers:	HSBC Bank plc 8 Canada Square London E14 5HQ
Solicitors	Bates Wells Braithwaite London LLP 10 Queen Street Place London EC4R 1BE
Independent auditor:	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW

Big Win Philanthropy

Trustees' Report

1.1 CHAIR'S WELCOME

Welcome to our Annual Report for the year ended 31 December 2020, which includes our financial statements for that year.

The past year presented unprecedented challenges. In addition to the global Covid-19 pandemic, armed conflict broke out in the Tigray region of Ethiopia, a country that has been a major focus of Big Win Philanthropy's activities. Our team and our partners proved remarkably resilient and adaptable in these difficult circumstances, learning to work remotely and pivoting to address new and urgent needs without deviating from our core mission and values. Two notable highlights:

- In response to Covid-19, our team moved quickly to help our partners first access and then, in Ethiopia, repurpose manufacturing capacity to locally produce high quality Personal Protective Equipment. This had the double win of ensuring sustainable regional public health preparedness going forward and job creation.
- A Lives Saved Tool analysis by Johns Hopkins University showed that "stunting averted and the lives saved after implementing Seqota Declaration initiative are enormously high," and the African Development Bank committed \$31.2 million to expand the initiative nationally.

In the midst of the pandemic, in July 2020, the Supreme Court of the United Kingdom ruled in the Charity's favour in a long-running case involving an endowment grant from the Children's Investment Fund Foundation (UK). The Court's decision unlocks \$400,000,000 in funding to the Charity and clarifies its financial position going forward. In light of the Court's ruling, the Trustees began a strategic review to evaluate the Charity's first five years of programming and to determine how to utilise the new funds for the greatest impact.

Since its inception, Big Win Philanthropy has been fortunate to partner with key leaders at national and regional level on the African continent. These leaders demonstrated clarity of vision for the transformation of their countries and were willing to make bold commitments for investing in harnessing the human capital of their nations' children and youth. In our conversations with these leaders and other stakeholders, they continue to believe that Big Win Philanthropy's mission and strategy are well targeted, while also expressing concerns about the increasing economic and civic pressures being felt across the continent.

Investing now in Africa's emerging youth population continues to present the leaders of today with an unprecedented possibility for improving the future paths of their countries. The key is to harness human capital potential through quality investments in the brain development and education of children and by providing youth with opportunities for productive employment. If achieved, the economic trajectory of the continent will be profoundly shifted in a positive direction for many generations to come. Faced with worsening macroeconomic conditions, the fallout from the pandemic, and increasing civil discontent, however, leaders need to be more strategic than ever to achieve these transformative goals. Big Win Philanthropy must be equally nimble, creative and responsive in supporting them.

In this report, you will read about some key initiatives that have transpired through our partnerships with African leaders. These partnerships stem from our belief that no one ultimately cares more about their people than the stewards chosen to represent them. By working alongside these committed leaders we believe we can achieve more, and have a more durable legacy, than a philanthropy can deliver working around governments and independently through NGOs. Our role is to support the translation of leaders' visions into tangible action steps, guided by evidence and with fidelity to achieving results.

Big Win has taken on a range of functions to back these leaders in achieving their ambitions. These have included: tightening strategies and plans; supporting cross-ministerial collaboration; enabling insights and access to best practice in other countries; providing technical support; supporting social civic involvement; and providing data-collection, data visualisation and monitoring capabilities. We have also continued to focus on the concept of leadership itself – including how the development of public leadership acumen can serve as an engine for the continent's development – and have increasingly explored collaborations with other charities, which has allowed us to drive additional resources to our governmental partners' key initiatives. In light of the unique and pressing developments of 2020, we

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also extended our support to Covid-19 preparedness and the humanitarian crises in Tigray.

During our partnerships, we have forged open, trusting relationships that allowed us to make progress while remaining ready to correct course as necessary. To the extent that we have succeeded, it reflects the strength of our partners and their ownership and drive of the agendas that we supported.

Under the leadership of our Chief Executive Officer, Dr. Kesete Admasu, Big Win Philanthropy enters 2021 in a strong financial and organisational position, expanding and strengthening our team in parallel with our increased resources. We remain steadfast in our belief that supporting our partners in government is the best mechanism for improving the lives of children and young people at scale, even as we acknowledge that collectively we face an increasingly uncertain and unpredictable landscape.

Jamie Cooper

President and Chair, Big Win Philanthropy

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The Trustees present their report and the financial statements of Big Win Philanthropy (referred to as the "Charity" in the remainder of this report) for the year ending 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011, the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP FRS 102) and applicable UK Accounting Standards (UK GAAP).

1.2 STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is a company limited by guarantee and not having share capital, governed by its Memorandum and Articles of Association dated 18 May 2015. It is registered as a charity with the Charity Commission. Jamie Cooper (the "Founder") is currently the sole member of the Charity.

Trustees

In August 2019, Ms. Cooper nominated, and the other Trustees voted to appoint, Michelle Harrison as an additional Trustee, effective as of the Charity's next Board meeting in February 2020. In February 2020, Mr. Dybul, Mr. Mutumbuka, and Madam Diogo were appointed for a second three-year term. Otherwise, the Trustees of the Charity have remained the same.

Curricula Vitae for potential new Trustees are circulated in advance, and candidates are invited to attend at least one meeting as advisors before their candidacies are considered. New Trustees complete a Declaration of Eligibility and Declaration of Interests; review HMRC and Charity Commission guidance; and are introduced to the policies and procedures of the Charity, including its conflict of interest and safeguarding policy, Trustee code of conduct and policy on the role of Trustees. Ongoing training and guidance related to charitable governance and related matters are provided at meetings of the Trustees and at committee meetings.

Trustees (other than the Founder) normally serve three-year terms and do not serve more than three consecutive terms.

Trustees generally meet twice annually in person and at additional times by teleconference. In February 2020, immediately prior to the onset of the Covid-19 pandemic, the Trustees held a four-day Board meeting in Ethiopia, during which the Trustees had the opportunity personally to review the Charity's Ethiopian programmes. Thereafter, because of travel restrictions imposed by the pandemic, the Trustees held a series of video conference meetings in May, August, and November 2020, and January, February, and April 2021. The Trustees also have the ability to review and approve certain actions and initiatives by written consent.

President

In addition to serving as Chair, Jamie Cooper serves as President of the Charity. All of Ms. Cooper's services are provided on a pro bono basis.

Chief Executive Officer

Dr. Kesete Admasu is the Chief Executive Officer (CEO) of the Charity. Dr. Kesete's term began on January 1, 2019.

As Chief Executive Officer, Dr. Kesete reports to the Board and works closely with the President to oversee the strategic direction, programming and management of the Charity. The Board sets performance goals for the CEO that are reviewed on a semi-annual basis.

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Management

The day-to-day management of the Charity is carried out by the Chief Executive Officer and overseen by the President. The Chief Operating Officer (COO) reports directly to the Chief Executive Officer on operational matters and to the President and Chair on financial and governance matters. The rest of the staff reports to a management team comprised of the President, CEO and COO. Programme teams typically report to a Programme Director, who reports to the CEO, and financial matters are overseen by the Head of Finance, who reports to the COO. In 2021, the Charity recruited and hired a Legal Director who also reports to the COO.

Grants, charitable disbursements and initiatives, and the accompanying activities to be undertaken by the Charity's staff, are presented to the Trustees for consideration in a written investment memorandum, which must be approved by the Trustees. From time to time, the Trustees may delegate authority to the Chair and the staff to make small discretionary grants or programmatic expenditures, or to undertake directly certain limited charitable activities, within budgeted amounts.

Pay and remuneration for the Charity's staff are set using benchmarks from other similarly situated charities and the employees' compensation history, and by applying criteria such as experience and skill level. The Charity has a goal-setting and review process for employees that encourages them to strive for success in all their endeavours and a milestone oriented performance management system that holds them accountable for their performance using a "balanced scorecard" approach.

Committees

The Charity has an active board. To date, the committees other than the Investment and Finance Committee have met during meetings of the Trustees, with the Investment and Finance Committee also meeting on a regular basis throughout the year. The Trustees form ad hoc advisory committees on specific programmatic issues when and as needed, and Trustees regularly volunteer to advise on or supervise areas in which they have particular expertise. Because of the anticipated scope of the Charity's resources and activities following the receipt of the initial tranches of a large endowment grant from Children's Investment Fund Foundation (UK), about which more information is provided below, the Trustees are actively considering the formation of additional committees.

Relationship to Other Charities

The Charity has a close working relationship with a United States charitable trust, the Children's Investment Fund Foundation operating as Big Win Philanthropy (hereinafter referred to as "Big Win Philanthropy US"). There is no control relationship between the organisations and they are legally independent of one another. While the two charities are not formally affiliated, Jamie Cooper has the power of appointment at both entities, they share certain Trustees and officers, and they cooperate on charitable endeavours. The Charity's operating policies and strategies are designed to make efficient use of the two charities' combined resources for maximum charitable impact.

An English charity, the Children's Investment Fund Foundation UK ("CIFF UK"), has agreed to make a sizeable expendable endowment grant to the Charity and began paying tranches of that expendable endowment grant in early 2021 (as described in Section 1.5, below). The Charity's Chair, Ms. Jamie Cooper, co-founded CIFF UK and remained a member and trustee of that charity until the final decision of the courts and the Charity Commission approving the grant from CIFF UK to the Charity, but since July 2015 she recused herself from its activities. Ms. Cooper has now resigned as a member and trustee of CIFF UK and its affiliates and subsidiaries. The relationship with CIFF UK does not impact the Charity's operating policies, except to the extent that the grant agreement between the Charity and CIFF UK restricts the use of funds received pursuant to that agreement to the improvement of the lives of children, young people and families in need in developing countries or countries in crisis as set forth in the agreement.

On 6 June 2017, the Chancellor of the High Court approved the grant from CIFF UK to the Charity for \$360,000,000. One of the four respondents applied to the Court of Appeal for permission to appeal an aspect of the High Court judgment, and on 6 July 2018 the Court of Appeal allowed the appeal in part. On 26 July 2018, Big Win Philanthropy's Chair, Jamie Cooper, filed an application for permission to

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appeal to the Supreme Court of the United Kingdom. On 11 February 2019, the Supreme Court of the United Kingdom granted Ms. Cooper's application, and a hearing on the appeal was held on 14 and 15 January 2020. On 29 July 2020, the Supreme Court unanimously allowed Ms. Cooper's appeal and reinstated the judgment of the Chancellor approving the grant from CIFF UK to the Charity for \$360,000,000. On 9 November 2020, the Charity Commission provided its written approval of the grant. In January 2021, Ms. Cooper made a gift of \$40,000,000 to the Charity as anticipated by the grant agreement with CIFF UK, and CIFF UK made the first of twenty \$18,000,000 tranche payments set forth in the grant agreement.

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1.3 PUBLIC BENEFIT

The Trustees confirm that they have given due consideration to the Charity Commission's public guidance on the Public Benefit requirement under the Charities Act 2011.

Objects

The Charity was formed in May 2015 for the public benefit, with the goal of benefitting children and youth and with the following objects:

- To prevent and relieve poverty;
- To relieve suffering, sickness and distress;
- To advance education; and
- To promote any other purpose recognised as charitable in accordance with the laws of England and Wales.

The Founder formed the Charity to work for the benefit of children and young people in developing, low-income countries. In order to achieve this goal, the Charity primarily partners with governments, multilateral institutions and other non-profits to plan and coordinate interventions that can improve the lives of young people in sub-Saharan Africa at scale, particularly in the nutrition, brain development, education and youth employment sectors, with a focus on human capital development.

Mission

The Trustees have adopted the following mission statement:

Big Win Philanthropy partners with driven and committed African leaders to deliver on their transformational visions for children and young people. We seek to improve lives directly and to build demographic dividends for equitable economic growth, peace and security.

1.4 OUR WORK

The demographic transition is a potentially game-changing, one-off opportunity for accelerated growth for many countries in sub-Saharan Africa. It occurs when falling mortality followed by falling fertility results in a "youth bulge" which creates a window of opportunity, for a few precious decades in a country's development, when the ratio of workers to dependants is unusually high.

This transition provides an opportunity to benefit from an economic phenomenon called the demographic dividend: A demographically facilitated economic surplus that can significantly increase incomes, living standards and investment for the future - potentially multiplying a country's national income many times over.

However, the dividend is not automatic. It is dependent on investments being made in children and young people decades in advance, in areas such as health, education and employment, so that they develop into healthy, productive adults. Big Win Philanthropy is focused on supporting leaders to make these investments.

Approach

Big Win Philanthropy partners with visionary African leaders to achieve transformational change for their countries by investing in three key areas essential to achieving economic growth and the demographic dividend:

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Brain Development

The development of a child's brain provides the foundation for their success later in life. A large proportion of children across sub-Saharan Africa suffer impaired brain development because of key factors including: undernutrition, insufficient care and stimulation from care-givers, and the experiencing or witnessing of violence. We support leaders to address these factors and help ensure that children can realise their potential.

Education for Productivity

Millions of African youth enter the workforce every year, many without the skills they need to find meaningful employment. Better education is essential for developing the qualities and skills young people need to become more productive – both in terms of their own quality of life and their contribution to national economic growth. We support leaders to improve the quality of education and to make it more relevant to the realities of a changing workforce.

Youth Employment

Africa's youth population is expected to double by 2050. Now is the time for strategic investments to create quality employment opportunities on a massive scale for this emerging new generation. We support leaders to create meaningful employment opportunities that provide liveable wages, are sustainable, and can absorb a range of skills, and to make investments to ensure that young people are employment-ready.

We also help foster the transformative leadership needed to make progress in these areas. Through the Harvard Ministerial Leadership Program, Big Win Philanthropy US convenes ministers focused on human capital development – including health, education, finance, and planning ministers – for an intensive week of envisioning “big wins” and exploring the political navigation, effective implementation, and multi-sector collaboration that would be required to achieve them. Through the Ellen Johnson Sirleaf Presidential Center's Amujae Initiative, we are helping support the next cohort of female leaders in Africa to aim for the highest public offices. And through a new Mayoral Leadership Initiative, we are aiming to drive strategic leadership for the African cities where huge numbers of children and young people will congregate over the next fifty years.

How we select partners and prioritise investments:

- We work with public-sector leaders with credible, robust, evidence-sound country-led agendas for developing human capital within their countries.
- We prioritise investments based on alignment with our mission, potential to scale impact, and ability to add value.
- We only work in countries where our support has been directly requested by the government.
- We develop public sector leadership in areas critical to the demographic transition and where leaders align with our organizational values.

How we support our partners:

- We make catalytic investments – often in the form of direct budget support – to enable leaders in building the capacity and systems needed to deliver on their vision.
- We provide technical support, assisting leaders in conceptualising, planning, funding, implementing, and evaluating innovative and transformational policies.
- We foster an environment where likeminded funders are able to support governments to achieve their priorities more effectively and support resource mobilisation for strategic initiatives.
- We support smart delegation of resources and implementation management through independent baseline assessments and audits.
- We assist partners with the data collection, analysis, synthesis and visualisation necessary for effective decision making.
- We help leaders think through the communications and framing strategies that enable successful and sustainable reforms.

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What we *don't* do:

- We don't make one-off programmatic investments that aren't part of a larger human capital development agenda.
- We don't dictate tactics. Instead, we support government-led approaches that clearly articulate the impact they will have for children and young people.
- We don't support programmes that circumvent governments or work contrary to their objectives.
- We rarely provide "brick and mortar" support, focusing instead on building delivery capacity.

Our work is guided by a number of principles and themes:

Commitment to human development. We see children and young people as providing the underlying potential for sustainable economic growth. We support leaders to make smart, long-term investments to realise this potential, rather than focusing on short-term fixes.

Respect for government leadership. While a range of actors have important roles to play in human capital development, governments are ultimately the stewards of a nation's people. We support the vision and ambition of political leaders in developing countries and align our support with their development priorities, including support for leadership capacity-building.

Cross-ministerial collaboration. Most major social challenges require cross-sector solutions to optimise efficiency and impact. We support collaboration between different government ministries, and we seek to forge partnerships between government, business and civil society.

Support for implementation. We believe that execution and delivery are just as important as policy and deserve equal attention and prestige. We support leaders to see their programmes through to quality implementation.

Long-term vision. Major social shifts and demographic trends are often neglected in the context of short-term political cycles. We support leaders with the integrity to care as much about societal progress as political gains.

Ambitious and scalable solutions. We seize opportunities that are strategic, scalable and have relevance beyond a specific project to be game-changing.

Evidence-led approaches. We support leaders in utilising data to inform their priorities, refine programme design, monitor outcomes, improve cost-effectiveness, measure impact and challenge orthodoxy.

Featured Initiatives

Pursuant to these strategies and principles, the Charity's activities in 2020 focused on the provision of technical, professional and managerial support and expertise, largely via the Charity's own personnel, to the Charity's partners in government and in the multilateral sector. The Charity was frequently able to leverage this support with grant support from its partner foundation, Big Win Philanthropy US, as well as from other partners.

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Examples of the initiatives the Charity is undertaking include:

- **Supporting the Government of Ethiopia to end child undernutrition: Seqota Declaration**

In July 2015, the Government of Ethiopia announced its multi-year plan to end stunting in Ethiopia. Named after one of Ethiopia's worst famine-stricken areas, the Seqota Declaration commits to eradicating the underlying causes of chronic undernutrition and ending stunting among children under 2 years old by 2030. The Seqota Declaration has been endorsed and embedded into the National Growth and Transformation Plan, making it among Ethiopia's highest level commitments. The Seqota Declaration builds on the "Cost of Hunger" study commissioned by the government in 2013, which showed that the annual costs associated with child undernutrition in Ethiopia are equivalent to 16.5% of its GDP. Eliminating stunting in Ethiopia is therefore a crucial underpinning to the country's growth and transformation agenda.

To deliver on this commitment, the government needs to double the rate of stunting reduction nationally and maintain an even higher reduction rate in high-burden areas. This ambitious goal requires a robust multisectoral response and a strategic geographic focus. During the Innovation Phase that ended in 2020, the initial geographic focus covered woredas (districts) with the highest stunting rates in the country along the Tekeze river basin, with a population of 4 million and a catchment area of 64,000 sq. km. Stunting rates are as high as 60-80 percent in this region.

By operationalising a truly multisectoral response, through one plan, one budget, and one report, and using monthly growth monitoring for children under 2 years as the confirmation that households are effectively being reached with integrated interventions, the government is charting a new blueprint for development. If stunting is successfully eliminated at the dramatic rate projected in this exceptionally difficult region, it will move the needle on the national rate, as well as demonstrate potential for elimination anywhere in the country. This cross-sectoral response will further create a model for operationalising effective cross-government collaboration that could be applied in other countries.

Big Win has been involved since the launch of the 2015 Seqota Initiative, supporting the full cadre of leaders, led by Deputy Prime Minister Demeke Mekonnen and including the federal ministers of health, water, agriculture, finance, education, and social affairs, the regional presidents of Amhara and Tigray and their respective teams to develop an integrated plan that provides value for money, and to assure quality delivery on the ground.

As the government prepared to move from the Innovation Phase to the Expansion Phase of the Seqota Initiative in 2020-21, two key milestones were achieved:

- Implementation of the Innovation Phase of the Seqota Declaration succeeded in increasing coverage of interventions that reduce stunting and child mortality. A Lives Saved Tool (LiST) analysis commissioned by Big Win and performed by Johns Hopkins University found that, "The stunting averted and the lives saved after implementing Seqota Declaration initiative are enormously high both in Tigray and Amhara regions," and that if "the Seqota Declaration continues to be implemented at the same level and intensity, by 2023 the rates of stunting could further be reduced from the 2018 levels of 40% to 29% in Tigray and from 52% to 40% in Amhara region."
- The African Development Bank approved \$31.2 million in funding for the "Multi-sectoral Approach for Stunting Reduction Project (MASReP)," which aims to expand the Seqota Declaration initiative and approach throughout the country, enormously increasing the resources available from the Government and Big Win to fight stunting.

The Innovation Phase also produced key learnings that will help drive the cross-sectoral interventions in the program's Expansion Phase:

- Agricultural interventions had the greatest impact on reductions in stunting. Based on program performance records, over 75% of households in the target population were reached with at least one agricultural intervention.

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- Improvements in infant and young child nutrition, achieved through complementary feeding and reduced household food insecurity, accounted for 90% of the stunting cases averted.
- Reductions in stunting and child undernutrition also resulted in fewer child deaths from infectious diseases. Again, improved child nutrition was a driving force in preventing child deaths via reductions in both stunting and wasting.
- Improvements in treatment of diarrhoea and malnutrition also contributed to reductions in child mortality. During the Innovation Phase, HMIS data showed increased treatment of diarrhoea with ORS (38%) and zinc (44%), while screening and treatment for malnutrition increased 53% compared to the rates observed prior to program implementation. Together, improved treatment of diarrhoea and malnutrition accounted for a quarter of the expected lives saved by the Seqota Declaration in 2021.

Supporting the Seqota Declaration was among Big Win's earliest government partnerships. The support of Big Win and Big Win Philanthropy US has included:

- **Multisectoral coordination:** Big Win assisted the Government of Ethiopia to establish three functional Program Delivery Units (PDUs) - one federal and two regional - backed politically at the highest levels to drive performance across multiple government ministries. Big Win will continue to support these PDUs through mid-2022, when they will transition to African Development Bank Funding; Big Win will then begin funding an additional PDU in a new region during the Expansion Phase.
- **Technical expertise and study tours:** Big Win has provided technical expertise to assist the government in upgrading and integrating each sector's initiatives into one plan with one budget, ensuring that it can be implemented efficiently and effectively. We have also supported woreda-level coordinators who help direct the multisectoral response. Over the past year, we have provided technical assistance to effectively implement universal growth monitoring and promotion, including using new satellite technology to transmit growth monitoring reports, which the government uses to provide tailored support to vulnerable households. We are further working with the Ministers of Water, Agriculture and Health to ensure 100 percent of households have access to adequate food all year round.
- **Target setting and monitoring support:** In addition to assisting the government to implement a one plan, one budget approach, Big Win is supporting the use of a performance scorecard that is used to track progress in real time, disseminate best practices and enable rapid intervention wherever the program is underperforming. Growth weight monitoring data is incorporated in the scorecard, allowing Ministers to track results.

As successful as the Seqota Declaration has been, the results of the LiST analysis predate the outbreak of the conflict in Tigray and the attendant food insecurity and social breakdown that has occurred in some woredas. Big Win hopes and believes that the structures and processes created by the Seqota Initiative will prove more important than ever in this moment of need, but many key activities have been interrupted or suspended in Tigray and it is unclear when they will be able to fully resume. As an interim measure to bolster its longstanding efforts to combat undernutrition, in late 2020 Big Win Philanthropy US made substantial contributions to UNHCR, the World Food Program and the Ethiopian Red Cross to deliver emergency services to young people and their families impacted by the war.

- **Unlocking nutrition investment: Banking on Nutrition with the African Development Bank**

In 2019, 40% of the world's stunted children under the age of five lived in Africa, up from 1/3 in 2017. It is the only region in the world where the number of stunted children has risen in the past few years.

This has a significant human and economic cost. Africa loses \$25 billion per year in costs attributed to child morbidity and mortality, and impaired cognitive, physical, and economic development caused by malnutrition. Yet these losses are almost entirely preventable. To realise its human and economic potential, Africa must invest in nutrition – particularly during the 1,000 days between conception and the age of two – as a crucial foundation for productivity later in life.

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To address this crisis, the African Development Bank (AfDB), working with Big Win and the Aliko Dangote Foundation, launched the Banking on Nutrition Partnership and has committed to scale up the proportion of its investments that are nutrition-smart in the agriculture, water, sanitation, hygiene, social protection, health and education sectors. It has announced an ambitious target of investing at least 50% of its agriculture and health portfolios in nutrition smart investments by 2025.

Big Win has supported the Bank in developing and adopting a Multi-Sectoral Nutrition Action Plan, which announced the ambitious target of reducing stunting by 40% among African children under five years old by 2025. We have also supported the development of an interactive nutrition dashboard, which tracks the Bank's performance on its targets across key sectors, enables easy visualisation of nutrition data from the project appraisal reports, and presents multiple nutrition related data sources in a single interface. The Banking on Nutrition Partnership has provided guidance and training to Bank staff for nutrition integration through a Multi-Sectoral Nutrition Toolkit, sensitising staff and managers on the importance of nutrition to the Bank's agenda. The Charity's staff manages the Banking on Nutrition programme, provided key strategic and technical support in the development and implementation of the Multi-Sectoral Nutrition Action Plan, and serves as the lead coordinator for the participating charities' engagement, with the initial grant funding contributed by Big Win Philanthropy US and the Dangote Foundation.

Earlier this year the African Development Bank released a progress report on the first five years of the Banking on Nutrition Partnership. The report reveals that the partnership's efforts have resulted in \$2.3 billion of the Bank's portfolio being allocated to projects with nutrition goals, accounting for 18% of all investments.

Interim Results

From 2015-2020, the Banking on Nutrition Partnership has achieved: a total of US\$2.3 billion allocated to nutrition smart projects in the Bank; 18% of Bank projects are now nutrition smart; and 21% of project interventions prioritize focus on women and children.

Progress made from baseline (2015-2018) to early wins (2020)

Sector	Baseline	Early Wins	Target (2025)	Surpassed Target
Health	0%	27.7%	50%	
Agriculture	15.3%	27.9%	50%	
WASH	2.9%	15.7%	15%	✓
Social Protection	7.1%	30.9%	10%	✓

For a more detailed look, please refer to [The Banking on Nutrition Partnership Progress Report 2015 – 2020](#)



Banking on Nutrition Partnership



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The partnership has also led to the development of comprehensive monitoring and accountability tools to optimise opportunities for nutrition integration across projects developed by the Bank's member states.

Redesigning investments in the focus sectors to be nutrition smart is the most efficient and effective way to deliver both greater social and economic return and impact alongside achieving nutrition impact—a double win for the African Development Bank and its member countries.

Going forward, the Banking on Nutrition Partnership will prioritise 10 countries using the Bank's Grey Matter Infrastructure Investment Index (rankings based on countries' stunting burden and borrowing headroom): Nigeria, Democratic Republic of the Congo, Ethiopia, Tanzania, Sudan, Madagascar,

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Kenya, Burundi, Mali, and Burkina Faso. The report forecasts that the partnership's successes will multiply as the work continues—achieving crucial gains in the fight against malnutrition on the African continent.

- **Multisectoral Nutrition in Mozambique**

In early 2020, Big Win, the Government of Mozambique, the provincial government of Nampula Province, and Fundação para o Desenvolvimento da Comunidade (Foundation for Community Development) completed Phase 1 of their multisectoral nutrition initiative. This phase included the institutionalization of multisectoral nutrition initiatives through the government's CONSAN coordinating mechanism; the conduct of baseline and landscaping research in Nampula; and the launch of a social movement in Nampula to combat childhood stunting.

Soon after Mozambique's elections in late 2019, the country was stricken with the Covid-19 pandemic, a series of natural disasters, and the outbreak of civil conflict. Big Win has remained in active conversations with government leaders about Phase 2 of the nutrition initiative, and hopes to resume its efforts to combat the unacceptably high levels of stunting in Nampula once the situation normalises.

- **Ghana Education Partnership**

In 2013, Ghana's National Educational Assessment (NEA) found that approximately two-thirds of students who complete primary education were doing so without proficiency in mathematics and English. Recognising that remedial education and repetition are expensive, Ghana is revising its curriculum, targeting foundational education where the Early Grade Reading Assessment (EGRA) proficiency at the end of the second year of primary school (P2) is now 2%. The Minister of Education has set a goal of ensuring that 70% of children at the P2 level are proficient in literacy and numeracy by 2030.

Inspired by the ambitious agenda for realising its national vision to transform Ghana into a 'learning nation' and to improve the quality of education for all in Ghana, the Ministry of Education, under the leadership of former Minister Matthew Opoku Prempeh, embarked on a comprehensive overhaul of the education sector in 2018. At the core of the education reforms was the introduction of a new standards-based curriculum rolled out in September 2019. This new curriculum was seen as one of the critical reform initiatives aimed at improving the foundational skills in numeracy and literacy and the overall educational attainment of primary school learners. The reform agenda has now been continued by current Minister Yaw Osei Adutwum.

The Government of Ghana and Big Win Philanthropy partnered in 2019 to support the Ministry of Education to institute systems and mechanisms to track and improve the foundational literacy of learners in primary schools. With the potential to reach 600,000 – 1 million students entering the education system each year, the effort is poised to radically change the prospects of children in Ghana, and of the country as a whole. The impact of improved cognitive skills on economic growth is significant. Countries with higher average scores on cognitive tests have experienced on average a full 1% higher growth rate annually.

Big Win worked with the government to complete a baseline survey prior to the rollout of the new curriculum. Big Win also supplied communications support to the government for the branding and strategic communications of the reform to ensure that it was effectively communicated to parents, teachers, and other key stakeholders. We have also supported the development of an integrated monitoring plan by four MoE agencies at the pre-tertiary level – National Council for Curriculum and Assessment (NaCCA), Ghana Education Service (GES), National Schools Inspection Authority (NaSIA) and National Teaching Council (NTC).

Now that the reform has been launched, our investment focuses on supporting the Ministry with a comprehensive data management system underpinned by an integrated routine monitoring framework, an effective branding and strategic communications plan for the reforms, and learner and teacher focused interventions, which remain crucial to successful implementation of the ambitious education reform agenda. Big Win is supporting the Minister and four agencies within the Ministry—with oversight on teachers, school management and administration, curriculum and school inspections—to coalesce

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around one discrete critical set of factors that undergird the ultimate success of the curriculum reform effort. These will be monitored on a regular basis, ensuring that each division can quickly develop interventions if delivery goes off track. Big Win is also supporting the Ministry to deliver a significant mindset shift in behaviours, culture, and practices within the education sector, establishing a system that promotes quality service provision.

The development of a performance management and data visualisation dashboard promises to be a flagship program that will anchor data-based decision making within the Ministry. Big Win successfully contracted a technical assistance provider to lead the dashboard development process. The creation of a functional dashboard system that linked the mobile school report card (mSRC) and the education management information system (EMIS) datasets by 31 December 2020 was a huge milestone achievement and triggered the disbursement of USD 6 million from the World Bank GALOP project. The Big Win investment will help the Ministry catalyse the broader investments received from its education development partners and position the Ministry to effectively drive learning outcomes.

Big Win Philanthropy UK staff lead the technical and management implementation of the Ghana Education initiative, with grant support from Big Win Philanthropy US.

- **Youth Employment in Ethiopia**

Ethiopia is experiencing significant demographic pressure as every year more than 2 million youth enter the labour market, leading to a projected rise in the labour force of more than 30% between 2019 and 2030. More than 17 million people in total will enter the labour market during this period, and ensuring they have access to quality jobs is crucial to the economic growth and development of the country.

Cognizant of the critical challenges and opportunities in absorbing such a large potential workforce into quality employment, Prime Minister Abiy Ahmed requested Big Win Philanthropy to partner with his government in identifying the key sectors which have potential to translate into meaningful job creation opportunities and in supporting strategic economic investments in these areas. The effort aims to create 1 million sustainable jobs that appropriately use young people's training and provide a livable wage, while also addressing development priorities.

Big Win's support to the Jobs Creation Commission (JCC) has led to the development of a Jobs Enablement and Data Interoperability (JEDI) platform that digitally aggregates and distils critical labour market information to generate high quality and visually interactive insights to inform evidence-based policy and decision making by leaders and key stakeholders. After completing Phase 1 in 2021, the partners have embarked on a second phase, which aims to incorporate many more data sets, improve data collection tools and flows, and link to the country's job placement platforms.

In Amhara and Oromia, Big Win has provided ongoing technical assistance that began with diagnostic studies of the regional economies; continued through six-week job creation "labs" that identified sectors and projects with the potential to spur creation; and has continued through the funding by Big Win Philanthropy US of delivery units charged with delivering on the job creation targets and possibilities identified by the regional governments and in the labs. With the support of the Charity's staff, the delivery units and the regional governments have begun to unlock bottlenecks and develop strategic plans for key job-creation sectors such as agro-processing and edible oils; tourism; and manufacturing.

At the request of regional President Shimelis Abdisa, Big Win is now providing a package of technical assistance interventions in support of six priority initiatives that can trigger social and economic transformation in Oromia and create up to 8 million jobs by 2025. These include improving access to rural financing to modernise agriculture, expanding horticulture (avocado and coffee), the family prosperity initiative, enhancing the performance of the mining sector, establishing Geda special economic zone, and improving the investment climate to make Oromia a preferred destination for both domestic and foreign direct investment.

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Similarly, the President of Amhara regional state has identified five transformation areas as key drivers of youth employment: Making Amhara region the edible oil hub of Ethiopia; transforming the dairy and livestock sector with the twin objectives of addressing stunting and employment; becoming the hub of cultural and ecotourism in Ethiopia; expanding the mining sector (opal and iron ore); and expanding the textile manufacturing industry. Big Win is providing a package of technical assistance to catalyse economic transformation in the region and to contribute to the creation of over 2 million quality jobs by 2025.

As an outgrowth of the Charity's efforts to support the local manufacture of personal protective equipment in response to the Covid-19 pandemic, the Charity has also begun working with the Ethiopian Investment Commission, the Ethiopian Food and Drug Administration, and the Ministry of Health to strategically develop the medical and pharmaceutical manufacturing sector, which has the potential to be an enormous source of job creation for the country.

- **Early Childhood Development in Addis Ababa**

In March 2021, after years of planning work undertaken in collaboration with Big Win and the Bernard van Leer Foundation, the Addis Ababa City Administration, in partnership with the Federal Government, launched "Children: The Future Hope of Addis Ababa Early Childhood Development Initiative," an integrated plan to reach all children under the age of seven with an array of comprehensive programs including universal pre-school, home visits to especially vulnerable families by a new cadre of social workers, the establishment of day care centers, and expansion of public play spaces.

As the program continues, Ethiopia plans to establish an Early Childhood Development ("ECD") Center of Excellence in Addis Ababa to advance ECD best practices and policies at the federal and regional levels; improve the capacities, skills, and competencies of the early childhood care workforce; influence policy direction; and promote collaborative and inclusive approaches that will forge the strong links critical to sustaining the ECD subsector within Ethiopia and across the African continent. The Center of Excellence will also facilitate international partnerships to enable dissemination and replication in other countries.

The initiative targets children at home, in schools, and in communities, creating a conducive environment that caters to the wide-ranging growth needs of children. The initial phase adopts a model of intensified support to vulnerable families and children, while striving to provide universal access to comprehensive ECD services to all children by 2025.

The program will build on existing solid platforms including the Urban Health Extension Program and Family Health teams, the Urban Safety Net Program, and the expansion of public schools including pre-primary. It adopts an innovative multi-sectoral approach led by a Steering Committee composed of representatives of city agencies, Big Win, and others. The initiative aims to reach vulnerable children in 330,000 low-income households, representing approximately 19% of the total number of households in Addis Ababa. It also aims to expand day care access with the establishment of day care centres (16 in the first year); ensure that 97% of children between 5-6 years of age gain preschool education with the establishment of 14 model preschools; and promote learning through play with the development of playgrounds in green sites and closed roads and the establishment of organised children's sports.

Big Win has supported Children: The Future Hope of Addis Ababa from the beginning, including through strategic support, technical assistance, and learning journeys. Big Win Philanthropy US is currently funding a baseline study of the current state of ECD in Addis Ababa, the development of a fully costed plan for the initiative, and a landscape analysis to guide the planning for the Center of Excellence. Big Win is also helping guide resource mobilization for the programme, including through results-based financing. All of these efforts are overseen by the Charity's personnel.

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The Mayoral Leadership Initiative

In partnership with Fondation Botnar, a Swiss charity, the Charity undertook a landscape analysis that discovered a critical need for leadership development at the Mayoral level on the African continent. African cities are expected to grow by almost 900 million people over the next century, and strong municipal leadership will be absolutely critical to providing those predominantly young people with the best chances in life.

The Charity hired an experienced director for the initiative who, after completing the landscape report, has begun its strategic buildout. The Charity is currently in discussions with an institution on the continent to host the initiative, with an expected start date of early 2022.

Responding to Covid-19: Preparedness, Local Manufacturing, and Communications

When the Covid-19 pandemic first began, Big Win quickly pivoted to support the response of its partners in government. The initial response included both the preparation of communications guidelines and the dissemination of best practices information during the confusing first few months of the pandemic.

It quickly became apparent that the availability of quality personal protective equipment ("PPE"), including medical grade masks, was going to be key to effective public health responses. The Charity and Big Win Philanthropy US commissioned a third-party market analysis report, which found that (i) the domestic demand in Ethiopia for medical surgical masks outstripped the domestic supply by eight-fold, where the supply was approximately 65 million masks/year and the demand was 500 million masks/year, and (ii) demonstrated that textile manufacturing facilities shuttered by the pandemic could be repurposed to produce PPE, improving public health preparedness while also preserving jobs and hard currency reserves. With the support of the government, factories in Ethiopia's industrial parks took up the challenge to significantly increase their production capacity. Currently, 18 manufacturers have the capacity to produce between 56-77 million surgical masks per month or 672-924 million per year, suggesting the manufacturers can supply the domestic demand if the Government of Ethiopia continues to support the local production of PPE. In support of these efforts, the Charity and Big Win Philanthropy US funded and helped organise an interim third-party quality testing regime to ensure that locally produced PPE met international standards. With these structures in place, government ministries and international development partners organised by the Charity were able to procure quality PPE domestically in Ethiopia, including 45 million masks for export and import substitution and a \$432,000 order for 5.4 million masks for health extension workers placed by CAF-Africa, creating an important double win for the country that has also left it better positioned to face ongoing waves of Covid-19.

We are also supporting the Ethiopian Investment Commission (EIC) to develop a coordination platform in alignment with the country's broader vision for the pharmaceutical sector and are supporting the Ethiopian Food and Drug Administration to develop a 'best-in-class' quality framework for domestically produced PPE and medical devices. One of the goals is to develop local capacity for the quality testing of PPE. In the medium term, we think this work will evolve into supporting the broader local pharmaceutical and medical equipment production sector, with the dual goal of job creation and commodity security.

Other Initiatives

The Charity's senior staff lent their expertise to other initiatives undertaken in collaboration with Big Win Philanthropy US, such as the Ministerial Leadership Program at Harvard University; support for the Education Outcomes Fund's efforts to bring performance based financing to the African education sector; the sponsorship of an Education Delivery Unit in Liberia that has helped sustain momentum for education reform and to drive learning outcomes across a political transition; and, in direct collaboration with Madam Ellen Johnson Sirleaf, the incubation of the Ellen Johnson Sirleaf Presidential Center and the development and growth of its Amujae Initiative, which is designed to support female leaders aiming for the highest public offices in Africa.

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1.5 ACHIEVEMENTS

Achievements and Performance

As described above, the Charity's staff have contributed in important ways to programmes and partnerships that have the capacity greatly to improve the lives of children and young people in developing countries.

Through 2020, the Charity primarily focused on direct support to partners, often reinforced by grants from Big Win Philanthropy US, as opposed to large scale grant making. Through this period, the Charity has aimed to provide the most value within its resource constraints by focusing on improving the programme design; programme management; strategic planning; communications; and measurement and evaluation capacity of its partners. These interventions provided maximum leverage from minimal grant funds by impacting the deployment of funding and programming at scale. The Charity will continue with this strategic operating model going forward, but the increase in its endowment attributable to the CIFF Grant will allow the Charity to buttress these interventions with its own grant support.

As described in detail above, a number of the core initiatives on which the Charity partners have now hit key milestones:

- A Johns Hopkins LiST Analysis of the Seqota Declaration initiative showed extremely high rates of stunting reduction in Amhara and Tigray, leading to the expansion of the initiative nationally, the largest ever commitment of government resources to the program, and \$31.2mm in funding from the African Development Bank.
- The African Development Bank reported that the first five years of the Banking on Nutrition partnership resulted in \$2.3 billion of the Bank's portfolio being allocated to projects with nutrition goals, accounting for 18% of all investments.
- The Future Hope of Addis Ababa Early Childhood Development program formally instituted a multisectoral steering committee and began outreach to over 300,000 vulnerable children.
- The Ghana Ministry of Education completed a baseline survey to measure the impact of its curriculum reform and all four stakeholder agencies agreed on a common dashboard and performance management system for evaluating progress.
- Delivery Units in Amhara and Oromia identified strategic sectors and bottlenecks to unlock quality jobs for youth in those regions, and the Job Creation Commission integrated initial data sets into a JEDI platform that can form the basis of a consolidated labour market information system.
- Ethiopian factories produced over 50,000,000 masks for domestic use, quality tested by independent foreign labs, improving the country's position against Covid-19 while providing jobs and preserving valuable hard currency reserves.
- A landscape analysis of the municipal leadership space, undertaken in partnership with Fondation Botnar, has identified a key niche – the need for a continental mayoral leadership program – that will lead to a new leadership forum slated to launch in 2022.

Under the leadership of CEO Dr. Kesete Admasu, the Charity has increased its senior staff in London to be able further to assist governmental partners at the highest levels. The Charity will head into 2021 having recruited five experienced programme directors, all originally from the African continent, greatly strengthening its organizational resources. The Charity has already demonstrated that it is able to bring additional money to the table for key initiatives, both from Big Win US and from a variety of private funding partners who value the Charity's knowledge, relationships, and technical ability. The Charity has increasingly seen some of the largest development charities in the world come around to the view that funding governments is the only way to achieve development at scale in Africa, and the Charity's President and CEO regularly consult with other foundations on how to transform their strategies in this

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direction. Combined with its newly increased endowment, the Charity will be well positioned to continue to gain significant leverage, including by developing initiatives that have the capacity to be replicated at scale in a variety of countries, such as its multi-sectoral nutrition and urban early childhood development initiatives.

The Charity's Trustees and staff have deep experience in articulating key performance indicators for charitable endeavours and are intent on producing indicators that are tailored to the Charity's mission, goals and values. The Charity employs a "critical path" for each initiative it supports, so that progress can be measured along that path as the programme develops (and course corrections can be made if necessary). The Charity uses a "balanced scorecard" approach to performance management, pursuant to which each programme is monitored according to multiple criteria and against weekly and monthly milestones, which are then consolidated into summary scorecard reports for the Trustees. Because the Charity seeks to deliver "Big Wins" for its partners, its results are not always as easy to measure as the results of "projects" that are defined in their metrics but that lack ambition and scale. Instead, the Charity's partners' wins are its wins. As some of the Charity's initiatives have started to mature, more data has and will become available to measure the impact of these largescale partnerships, such as the stunting reduction and growth monitoring data from Seqota. In the interim, perhaps the strongest measure of the Charity's effectiveness and success has been that government partners continue actively to seek it out as a partner, despite the limited grant funds heretofore at the Charity's disposal.

Funding

The Charity does not actively engage in fundraising. Instead, it funds its activities through an expendable endowment, the majority of which it began to receive in early 2021 via a grant and an additional donation that was contingent upon it.

Five years ago, CIFF UK agreed to make a grant of \$360,000,000 to the Charity for purposes of creating an expendable endowment to be used for the benefit of children, young people and their families in developing countries or countries in crisis (the "CIFF Grant"). On 9 June 2017, Sir Geoffrey Vos, Chancellor of the High Court, approved the CIFF Grant. One defendant in that case, Dr. Marko Lethimaki, made an application to the Court of Appeal for permission to appeal an aspect of the High Court judgment, and on 6 July 2018 the Court of Appeal allowed the appeal in part. On 26 July 2018, Big Win Philanthropy's Chair, Jamie Cooper, filed an application for permission to appeal to the Supreme Court of the United Kingdom. On 11 February 2019, the Supreme Court of the United Kingdom granted Ms. Cooper's application, and a hearing on the appeal was held on 14 and 15 January 2020. On 29 July 2020, the Supreme Court unanimously allowed Ms. Cooper's appeal and reinstated the judgment of the Chancellor approving the grant from CIFF UK to the Charity for \$360,000,000. CIFF UK then referred the matter to the Charity Commission for approval, and on 9 November 2020, the Charity Commission provided its written approval of the payment of the CIFF Grant to the Charity. In January 2021 CIFF UK made the first quarterly \$18,000,000 tranche payment under the CIFF Grant, and it has made two additional tranche payments as of the date of this report.

In addition to the CIFF Grant, in 2015 the Charity received two pledges of \$40,000,000 each, one from its Founder and one from TCI Fund Management Limited. The pledges were made pursuant to Deeds of Covenant. In January 2021 the Charity's Founder made a \$40,000,000 gift in fulfilment of her Deed of Covenant. The Charity has claimed Gift Aid with respect to a portion of that gift. TCI Fund Management Limited made a \$40,000,000 donation to the Charity in 2016 in early fulfilment of its Deed of Covenant.

In addition to cash support, during 2020 the Charity received meaningful in-kind support from its partner foundation in the United States. Among other things, Big Win Philanthropy US made available the services of the Charity's COO, allowed the Charity access to its network and certain other facilities, and paid some travel costs for the Charity's staff when travelling for joint initiatives. The trustees of Big Win Philanthropy US have determined that providing this support furthered the charitable mission of Big Win Philanthropy US, and the generous support greatly increased the ability of the Charity to fulfil its charitable mission in 2020.

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The Charity and Big Win Philanthropy US operate pursuant to written guidelines for their ongoing collaborations, and as the Charity's resources increase, the in-kind support the Charity receives from Big Win Philanthropy US will decrease over time.

In 2020, the Charity, for the first time, received a relatively small contribution from a third-party, Fondation Botnar, in order to pay for certain costs with respect to a joint initiative, the African Mayoral Leadership Program. Going forward, the Charity and Fondation Botnar expect to co-fund the initiative through grants to a South African university, and the Charity does not expect to receive additional contributions directly.

1.6 FINANCIAL REVIEW

At the end of the financial year the Charity had excess income over expenditure of \$3,099,217 (2019: \$4,970,949). Unrestricted reserves increased from \$467,961 to \$562,498 and the expendable endowment fund increased from \$39,868,531 to \$42,856,165.

Financially, the Charity's period of operating was defined by the resolution of the litigation with respect to the CIFF Grant, the strong performance of the investments in the Charity's expendable endowment, and the consolidation of its activities in the UK in anticipation of receipt of the CIFF Grant.

Because the CIFF Grant has been delayed by litigation, prior to 2021 the Charity's personnel have been hampered in making grants to supplement the professional support and technical assistance the Charity's staff provides. The uncertainty surrounding the timing of the CIFF Grant has been an obstacle to the Charity's programmatic development and financial planning. Prior to the decision of the Supreme Court, the Trustees determined that retaining high-level program staff to support management and the Charity's partners was the most efficient and effective way to deploy the Charity's resources in anticipation of the CIFF Grant. Now that the Supreme Court and the Charity Commission have approved the CIFF Grant, and the expendable endowment funds have started to be received, those staff are in a strong position to guide the granting and other charitable uses of those funds.

In 2020, Charitable costs of \$1,985,181 (2019: \$2,267,379) were incurred relating to the Charity's activities. These costs, which primarily relate to the compensation of programme staff and leasing of office space, were in line with the Charity's spending policy but slightly below budget, largely because of the suspension of travel and certain programme activities because of Covid-19. Full details of the work supported by this expenditure are contained in the relevant sections of this report. Because the investments in the Charity's expendable endowment outperformed their performance target, income significantly exceeded expenditure. For the year, the Charity's net gain was \$3,099,217.

The Charity is actively reviewing its spending policy in 2021 in light of the receipt of the initial tranches of the CIFF Grant and the sizeable donation from the Charity's Founder.

The Charity's funding arrangements are set out in note 2 to the accounts and in the fundraising section of this report, above.

At 31 December 2020 cash on hand amounted to \$479,213 and the expendable endowment amounted to \$42,856,165. As noted above, the Charity subsequently received \$58,000,000 in donations and grant payments in January 2021, as well as subsequent quarterly tranche payments of the CIFF Grant.

The Trustees have planned activity levels in anticipation of the continued receipt of the CIFF Grant, and the long-term financial position of the Charity is dependent upon the continued receipt of those funds. The Charity's operational and grant budget is funded by investment gain and income from the Charity's expendable endowment.

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Investments

In 2020, the Charity's investments were managed by a single outside investment manager (an "OCIO"), Cambridge Associates, that was selected by the Trustees after a competitive bidding process. In 2021, the Charity added a second OCIO, Truvvo Partners. The OCIOs invest the Charity's assets pursuant to an Investment Policy Statement crafted by the Charity's Investment Committee. The Charity's investment assets are held in custodial accounts at Northern Trust. The OCIOs generally meet with the Charity's Investment Committee four times a year (by telephone or in person) and submit monthly performance reports.

As set forth in the Charity's Investment Policy Statement, the principal goal of the Charity's investment portfolio is to provide continued funding to support the Charity's charitable activities assuming spending by the Charity at an average annual rate of 5% of its assets. The Investment Policy Statement, and the Investment Management Agreements with each OCIO, also contain restrictions related to concentration, liquidity, asset class allocation, and rebalancing.

Cambridge Associates began to invest the Charity's investment assets in August 2017, but the OCIO's performance against the agreed benchmarks began on April 1, 2018. For 2020, the Charity achieved a net gain on its investments of \$5,518,639 and received \$21,355 in interest and \$46,890 in dividends. After initial turbulence during the onset of the Covid-19 pandemic, the Charity's investments have recovered and continued to perform well, both in real terms and against their benchmarks.

As of 31 December 2020, the Charity's Investment Policy Statement does not include making social or program related investments. The Charity's Investment Committee reviews this component of the Investment Policy Statement annually.

Key Risks and Uncertainties

For the first five years of its existence, the litigation regarding the CIFF Grant presented the largest risk and uncertainty for the Charity. Now that the Supreme Court has ruled in the Charity's favour, the Charity Commission has approved the CIFF Grant, the Founder has fulfilled her Deed of Covenant, and CIFF UK has begun making quarterly payments of the CIFF Grant, the Charity's risks and uncertainties are significantly reduced, but if some or all of those funds are not received, or if their receipt is delayed, it will materially impact the Charity's ability to deliver on its mission and programs.

The Charity is managing risk by undertaking activities that fall within its current budget; adopting a spending policy based on 12 trailing quarters worth of assets; devoting its staff to activities where additional funds can be leveraged from others; and avoiding extremely long-term commitments.

The Charity's expendable endowment is invested by outside investment managers, Cambridge Associates and Truvvo Partners, pursuant to an Investment Policy Statement adopted by the Trustees. There is a risk that the Charity's investments will not meet the benchmarks established by the Trustees or will produce negative returns. The Charity has attempted to set its reserves policy and Investment Policy Statement to reasonably mitigate these risks. The Charity also engaged a second investment manager to diversify its investment management and to mitigate risk accordingly. The Charity monitors liquidity within the expendable endowment to ensure that its investment managers can make transfers from the expendable endowment to unrestricted funds on a quarterly basis in an amount sufficient to fund the Charity's budgeted charitable activities, even during market declines.

In addition to funding risks, the Charity works significantly with governments, multilaterals and international organisations in sub-Saharan Africa. Political conditions, changes of administration or policy, epidemics, and geopolitical concerns could have a material adverse impact on the Charity's operations. The Covid-19 pandemic disrupted operations around the world, and while the Charity was less impacted than other organisations, many of its partners' initiatives were suspended or altered, especially in the education sector. The Charity's pipeline of new initiatives was also inhibited by travel restrictions. The Charity works very significantly in Ethiopia, which faces an ongoing armed conflict in Tigray (where the Seqota Declaration team partially works); has endured other incidents of regional insecurity, particularly in Oromia; and where elections were delayed by the ruling coalition before going ahead in 2021. Mozambique has also been plagued by conflict in its northern and central regions, as

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well as suffering from cyclones and natural disasters, forcing the temporary delay of multi-sectoral nutrition work in Nampula province. Ghana's 2020 election resulted in changes at the Ministry of Education, which has required some adaptation to the priorities of the new Minister. These risks are endemic to the Charity's field of endeavour, and the Charity is concerned that civil strife and armed conflict are on the increase across the continent. Because the Charity believes that the human capital agenda, the demographic dividend, and youth employment are the only solutions to these risks, the Charity consistently reviews its policies and activities in an attempt to mitigate (but not eliminate) them. In the past, the Charity has been able successfully to navigate the transition in administrations in countries such as Liberia and Ethiopia.

The Covid-19 pandemic has seriously limited the Charity's staff from traveling, making the provision of technical support significantly more difficult. Some of the Charity's governmental partners have also been forced to suspend or restructure initiatives, and schools are closed in many countries, making education reforms difficult. In addition to switching to remote working, the Charity redirected some of its efforts in 2020 towards helping governments address the fallout from the pandemic.

The Charity is highly dependent on the experience and skillsets of certain key personnel, including the Trustees, the President and the CEO. If any of them were unable or unwilling to work on behalf of the Charity and could not be effectively replaced, it would have a serious impact on the Charity's operations. The Charity has mitigated this risk to some degree by increasing its cadre of programme directors.

The Charity's staff normally travel extensively, including to unstable areas of the world and locations where staff could be exposed to communicable diseases, accidents and other risks. The Charity has attempted to adopt policies and procedures to mitigate these risks or to address incidents if they occur, and it also has insured itself against such risks. The Charity has also undertaken additional trainings regarding corruption, bribery, fraud, and related matters to mitigate the risk that the conduct of personnel or partners abroad could imperil the Charity's activities or reputation. Nonetheless, the Charity's operations and personnel remain at risk of disruption from accidents, disease, and security concerns encountered when its personnel are travelling abroad, and the Charity remains at risk that corruption or intentional misconduct by its partners will impact its operations.

Although the Charity and its staff rarely work directly with children or vulnerable populations, the Charity's partners often do. The Charity consistently reviews its safeguarding policies and practices to ensure that the activities it funds and undertakes have robust safeguards against abuse and neglect, but the Charity nevertheless faces an ongoing safeguarding risk, including the risk that a governmental or other partner will experience a safeguarding incident.

Fraud, corruption, and data security pose a risk to all organisations, and especially to organisations that work internationally like the Charity. Data and network security risks have increased significantly around the world. The Charity engages in strong in-person due diligence to avoid fraud and corruption and has multiple safeguards against data security breaches, but it remains at risk from losses and damages in both areas.

Going Concern

The Charity does not currently have any funds in deficit and, given its expendable endowment and incoming grant payments, does not presently face any material threat to its status as a going concern. Nonetheless, as stated above, failure to receive anticipated funds or continued underperformance of the expendable endowment would require the Trustees materially to rethink the organisation's structure and planned activities.

Plans for Future Periods

In 2020, the Charity recruited additional senior staff members to begin work in 2021, including three new programme directors and a legal director. Despite these new hires, the Charity intends to grow its staff slowly and to maintain a lean organisational structure that the Trustees and management believe will best serve the Charity's charitable goals.

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The Charity has undertaken a strategic review throughout the second half of 2020 and the first half of 2021 to determine its most impactful way of moving forward given the increased resources it will have at its disposal. It is anticipated that the revised strategy will be adopted in autumn 2021 and will remain consistent with, but expand upon, the organizational strategy of the previous five years.

Programmatically, a number of the Charity's initiatives and programmes have been renewed or extended and will continue through at least 2021, pending developments in Ethiopia with respect to the Tigray crisis. Although Covid-19 has inhibited the process, the Charity is actively working to expand its pipeline of programs both geographically and structurally, and it intends to launch several new initiatives in 2021/22.

Reserves Policy

The Trustees are committed to applying the Charity's resources in a responsible manner that maximises charitable outcomes.

Prior to receipt of the CIFF Grant, the Trustees had established a reserves policy of holding between 6 and 12 months of projected expenditures in reserve, based on a spending target of 5% of the Charity's average assets for the previous 12 trailing quarters. Upon receipt of the Founder's donation and the first tranche of the CIFF Grant, the Trustees adopted an interim reserves policy of holding \$1,000,000 in cash reserves.

At the end of the reporting period, the Charity held \$479,213 in unrestricted cash operating reserves and \$42,856,165 in an expendable endowment fund. These amounts increased significantly in January 2021. The Charity's OCIOs maintain sufficient short-term liquid assets in the expendable endowment to replenish cash reserves on a quarterly basis.

The Trustees review the Charity's reserves policy annually, and, in particular, will review it in connection with their review of the spending policy and in light of the ongoing influx of cash from the CIFF Grant.

Trustees' Statement of Responsibilities

The Trustees (who are also directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting practices and apply them consistently;
- Observe the methods and principles in the Charity SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

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

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

Disclosure of information to Auditors

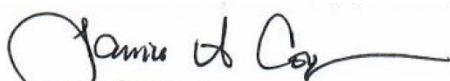
Each of the Trustees, who are also directors, at the time this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charity's auditors are unaware; and
- the Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

The auditors, UHY Hacker Young LLP, have expressed their willingness to remain in office for a further year, and a proposal for their reappointment will be made in accordance with section 485 of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

The Trustees Report was approved by the Trustees on 2 August 2021 and is signed on their behalf by


Jamie Cooper

Trustee, President and Chair

Date: 13 Sept 2021

Independent Auditor's Report to the Members of Big Win Philanthropy

Opinion

We have audited the financial statements of Big Win Philanthropy (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities (including income and expenditure account), the Balance Sheet, the 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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.

Independent Auditor's Report to the Members of Big Win Philanthropy

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 22 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and profit.

Independent Auditor's Report to the Members of Big Win Philanthropy

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, review of correspondence with legal advisors, enquiries of management and review of internal audit reports in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Subarna Banerjee (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young LLP, Statutory Auditor
Chartered Accountants
4 Thomas More Square,
London
E1W 1YW

Date: 15 September 2021

Big Win Philanthropy

Statement of Financial Activities (including income and expenditure account) For the year ended 31 December 2020

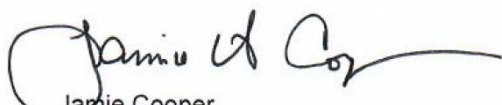
		Unrestricted funds	Endowment funds	Total 2020	Total 2019
	Note	\$	\$	\$	\$
Income from:					
Donations and legacies	2	95,420	-	95,420	29,685
Investments & Dividends	3	68,245	-	68,245	102,314
Total income		163,665	-	163,665	131,999
Expenditure on:					
Charitable activities	4	1,985,181	-	1,985,181	2,267,379
Investment management		-	597,906	597,906	179,579
Total expenditure		1,985,181	597,906	2,583,087	2,446,958
Net gain on investments	12	-	5,518,639	5,518,639	7,285,908
Net (loss)/income		(1,821,516)	4,920,733	3,099,217	4,970,949
Transfers between funds	16	1,933,099	(1,933,099)	-	-
Other recognised losses		(17,046)	-	(17,046)	(25,694)
Net movement in funds		94,537	2,987,634	3,082,171	4,945,255
Reconciliation of funds:					
Total funds brought forward		467,961	39,868,531	40,336,492	35,391,237
Total funds carried forward	16	562,498	42,856,165	43,418,663	40,336,492

Big Win Philanthropy

Balance Sheet As at 31 December 2020

		<u>2020</u>		<u>2019</u>	
	Note	\$	\$	\$	\$
Fixed assets:					
Tangible assets	11		90,300		128,460
Investments	12		42,856,165		39,868,531
			<u>42,946,465</u>		<u>39,996,991</u>
Current assets:					
Debtors	13	149,580		155,920	
Cash at bank and in hand	19	479,213		286,789	
		<u>628,793</u>		<u>442,709</u>	
Liabilities:					
Creditors: amounts falling due within one year	14	<u>156,595</u>		<u>103,208</u>	
Net current assets			472,198		339,501
Total net assets			<u>43,418,663</u>		<u>40,336,492</u>
The funds of the charity:					
Unrestricted funds	16		562,498		467,961
Expendable endowment funds	16		42,856,165		39,868,531
Total charity funds			<u>43,418,663</u>		<u>40,336,492</u>

The financial statements on pages 27 to 29 were approved by the Board of Trustees on 13 Sept 2021 and authorised for issue.


Jamie Cooper
Chair of Trustees

Big Win Philanthropy
Company Registered No: 09595920

Big Win Philanthropy

Statement of Cash Flows For the year ended 31 December 2020

	Note	2020		2019	
		\$	\$	\$	\$
Cash used in operating activities	18		(2,342,890)		(2,301,189)
Cash flows from investing activities:					
Purchase of fixed assets		-		(3,061)	
Purchase of fixed asset investments		(10,800,152)		(1,124,972)	
Sale of fixed asset investments		13,114,355		1,180,598	
Transfer of cash from investments		216,802		2,028,659	
Interest received		21,355		30,957	
Net cash generated from investing activities			2,552,360		2,112,181
Increase/(decrease) in cash and cash equivalents in the year			209,470		(189,008)
Total cash and cash equivalents at the beginning of the year			286,789		501,491
Effect of foreign exchange rate changes			(17,046)		(25,694)
Total cash and cash equivalents at the end of the year	19		479,213		286,789

Big Win Philanthropy

Notes to the Financial Statements For the year ended 31 December 2020

1. Accounting Policies

Legal status of the charity

The charity is a private company limited by guarantee and has no share capital. The company is incorporated in England and Wales registration number 09595920. The liability of each member in the event of winding up is limited to \$1.35 (£1).

The registered office of the company is 10 Queen Street Place, London, United Kingdom, EC4R 1BE. The charitable company's objectives and aims are disclosed in the Trustees' Report.

Basis of preparation

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

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

The functional currency is \$. Monetary amounts in these financial statements are rounded to the nearest \$.

Public benefit entity

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

Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern for a period of at least 12 months from the date of account approval. The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. As such the financial statements have been prepared on a going concern basis.

Income

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

Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the Charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably.

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

Fund accounting

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

The expendable endowment may be expended on both capital and revenue items in furtherance of the Charity's charitable purposes as determined by the trustees.

Big Win Philanthropy

Notes to the Financial Statements For the year ended 31 December 2020

Expenditure and irrecoverable VAT

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

- i. Expenditure on charitable activities: this relates to the costs of delivering services, including the research and design work required in order to plan for the implementation of the charitable investment programme aimed at improving the lives of children and youth of sub-Saharan Africa, and their associated support costs.
- ii. Investment costs are recognised on a quarterly basis as invoiced by the various investment funds.

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

Support costs

Governance costs, one of the support costs, are the cost associated with the governance arrangements of the Charity. These costs relate to constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities as well as professional fees such as audit fees.

Tangible fixed assets

Items of computer equipment over \$200 are capitalised at cost. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Fixtures and Fittings	20.00% Straight line
Computer equipment	33.33% Straight line

Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. They are held to meet short term cash commitments as they fall due.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle

Big Win Philanthropy

Notes to the Financial Statements For the year ended 31 December 2020

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.

Pensions

For defined contribution schemes the amount is charged to the Statement of Financial Activities as contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Financial Instruments

The Charity has applied the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price. The Charity has not entered into any financing transactions.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Critical accounting estimates and judgements

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

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

Critical judgements - Valuation of donated services

The charitable company makes an estimate of the value of management services provided by the Children's Investment Fund Foundation trading as Big Win Philanthropy, a charitable trust formed under the laws of New York, USA. This is accounted for as Income in Kind. The estimate is based on information provided by the donor.

Big Win Philanthropy

Notes to the Financial Statements For the year ended 31 December 2020

2. Donations

	Total 2020 \$	Total 2019 \$
Income in kind	30,420	29,685
Donations	65,000	-
Total	95,420	29,685

Cash donations of \$65,000 were restricted to the activities of the Mayoral Leadership Initiative.

3. Investments

	Total 2020 \$	Total 2019 \$
Dividends	46,890	71,357
Interest	21,355	30,957
Total	68,245	102,314

4. Analysis of expenditure on charitable activities

	Total 2020 \$	Total 2019 \$
Activities undertaken directly		
Staffing	1,443,640	819,199
Other direct costs	261,040	875,748
	1,704,680	1,694,947
Support costs (note 5)	280,501	572,432
Total	1,985,181	2,267,379

5. Analysis of support costs

	Unrestricted Total 2020 \$	Total 2019 \$
Governance (see below for analysis)	59,928	90,233
Staffing	1,544	83,976
Legal fees	12,753	36,895
Other (rent and operations etc.)	206,276	361,328
Total	280,501	572,432

Big Win Philanthropy

Notes to the Financial Statements For the year ended 31 December 2020

	Total 2020 \$	Total 2019 \$
Governance costs are made up of:		
Audit fee (including VAT)	30,717	38,496
Legal and professional fees	1,248	36,895
Cost of services provided by Big Win USA	27,963	14,842
	59,928	90,233
6. Net income for the period	Total 2020	Total 2019
	\$	\$
This is stated after charging / crediting:		
Depreciation (note 11)	38,160	37,102
Auditor's remuneration (including VAT)	30,717	38,496
Foreign exchange losses	(17,046)	(25,694)
7. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel	Total 2020	Total 2019
	\$	\$
Staff costs were as follows:		
Salaries and wages	1,252,176	776,054
Social security costs	158,437	98,906
Pension costs	33,027	24,046
	1,443,640	899,006
Higher paid employees were paid in the following bands:	No.	No.
\$120,001 - \$130,000	-	1
\$130,001 - \$140,000	1	-
\$180,001 - \$190,000	3	-
\$200,001 - \$210,000	-	1
\$440,001 - \$450,000	-	1
\$450,001 - \$460,000	1	-

Key management personnel are Trustees, Chief Executive Officer (CEO) and Chief Operating Officer (COO), the latter of whom did not receive any benefits directly from the Charity during the year ended 31 December 2020 and 2019. The value of key management's costs donated by Children's Investment

Big Win Philanthropy

Notes to the Financial Statements For the year ended 31 December 2020

Fund Foundation trading as Big Win Philanthropy US was \$30,420 (2019: \$29,685) as disclosed in note 2.

The Charity's Trustees (including the President and Chair) were not paid and did not receive any benefits from employment with the Charity in the year (2019: Nil). The Trustees were reimbursed for expenses during the year amounting to nil (2019: \$Nil) for travel and accommodation to Board meetings. No Trustee received payment for professional or other services supplied to the Charity (2019: Nil).

8. Staff numbers

There were 7 employees at the year end (2019 – 4). The average number of employees (head count based on number of staff employed) during the accounting period was as follows:

	2020 No.	2019 No.
All activities	7	4

9. Related party transactions

The relationship between Big Win and Big Win Philanthropy US is a close working relationship. There is no control relationship between the organisations and they are legally independent of one another. While the two charities are not formally affiliated, they share certain Trustees and officers and cooperate on charitable endeavours, and Jamie Cooper in her individual capacity has certain authority over each charity as articulated in its organisational documents. There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

The related party transactions for 2020, and the prior year are as follows:

Management services covering activities of the COO valued at \$30,420 (2019: \$29,685) was provided by Big Win Philanthropy US, a charitable trust formed under the laws of New York, USA. This is accounted for as Income in Kind.

10. Taxation

Big Win Philanthropy is a registered charity and as such its income and gains falling within Sections 466 to 493 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

Big Win Philanthropy

Notes to the Financial Statements For the year ended 31 December 2020

11. Tangible Fixed Assets

	Fixtures & Fittings \$	Computer equipment \$	Total \$
Cost			
At 1 January 2020	170,712	31,918	202,630
Additions during the year	-	-	-
At 31 December 2020	<u>170,712</u>	<u>31,918</u>	<u>202,630</u>
Depreciation			
At 1 January 2020	52,219	21,951	74,170
Charge for the year	31,935	6,225	38,160
At 31 December 2020	<u>84,154</u>	<u>28,176</u>	<u>112,330</u>
Net book value			
At 31 December 2020	<u>86,558</u>	<u>3,742</u>	<u>90,300</u>
At 1 January 2020	<u>118,493</u>	<u>9,967</u>	<u>128,460</u>

12. Fixed Asset Investments

	2020 \$	2019 \$
Movement in Fixed Asset Investments		
Market value brought forward at 1 January	39,868,531	34,663,142
Additions to investments at cost	10,800,152	1,176,855
Disposals and paydowns	(13,114,355)	(5,811,347)
Cash movement	(164,499)	2,550,215
Gains on investments	5,518,639	7,285,908
Other movements	(52,304)	3,758
Market value as at 31 December	<u>42,856,165</u>	<u>39,868,531</u>
Historic cost	<u>34,135,121</u>	<u>35,124,390</u>
Investments at fair value comprised:		
Listed investments	42,856,165	39,868,531
	<u>42,856,165</u>	<u>39,868,531</u>

Fixed Asset Investments represents the Charity's Expendable Endowment Fund (see Note 17).

Big Win Philanthropy

Notes to the Financial Statements For the year ended 31 December 2020

13. Debtors	2020	2019
	\$	\$
Prepayments	58,294	67,630
Other debtors	91,286	88,290
	<hr/>	<hr/>
	149,580	155,920
	<hr/>	<hr/>
 14. Creditors: amounts falling due within one year	 2020	 2019
	\$	\$
Trade creditors	25,790	17,555
Taxation and social security	48,602	36,363
Accruals	80,186	48,881
Other Creditors	2,017	409
	<hr/>	<hr/>
	156,595	103,208
	<hr/>	<hr/>
 15. Financial instruments	 2020	 2019
	\$	\$
Carrying amount of financial assets		
Debt instruments measured at amortised cost	91,286	88,290
Instruments measured at fair value through net income	42,856,165	39,868,531
	<hr/>	<hr/>
Carrying amount of financial liabilities		
Measured at amortised cost	105,977	66,845
	<hr/>	<hr/>

Big Win Philanthropy

Notes to the Financial Statements For the year ended 31 December 2020

16. Movements in funds

	At the start of the year \$	Incoming resources \$	Outgoing resources \$	Transfers \$	Gains and (losses) \$	At the end of the year \$
Current Year						
Total unrestricted funds	467,961	163,665	(1,985,181)	1,933,099	(17,046)	562,498
Expendable Endowment Fund	39,868,531	-	(597,906)	(1,933,099)	5,518,639	42,856,165
Total Funds	40,336,492	163,665	(2,583,087)	-	5,501,593	43,418,663
Prior Period						
Total unrestricted funds	728,095	131,999	(2,267,379)	1,900,940	(25,694)	467,961
Expendable Endowment Fund	34,663,142	-	(179,579)	(1,900,940)	7,285,908	39,868,531
Total Funds	35,391,237	131,999	(2,446,958)	-	7,260,214	40,336,492

The Expendable Endowment Fund was created on 20 December 2016 following the receipt of \$40,000,000 from TCI Fund Management Limited. The Trustees may expend both capital and revenue items in furtherance of the Charity's charitable purposes.

Transfers are made quarterly from the expendable endowment to cover operational expenses in support of programme delivery.

Included in total unrestricted funds of \$562,498 are \$65,000 in funds that were restricted to the activities of the Mayoral Leadership Initiative.

Included in \$(597,906) of outgoing resources is \$360,000 of redeemed investments, which has been categorised as investment management expenditures.

Big Win Philanthropy

Notes to the Financial Statements For the year ended 31 December 2020

17. Analysis of net assets between funds

	Unrestricted Funds \$	Expendable Endowment \$	Total Funds \$
At 31st December 2020			
Tangible Fixed Assets	90,300	-	90,300
Fixed Asset investments	-	42,856,165	42,856,165
Cash at bank and in hand	479,213	-	479,213
Other net current liabilities	(7,015)	-	(7,015)
	<u>562,498</u>	<u>42,865,165</u>	<u>43,418,663</u>
At 31st December 2019			
Tangible Fixed Assets	128,460	-	128,460
Fixed Asset investments	-	39,868,531	39,868,531
Cash at bank and in hand	286,789	-	286,789
Other net current assets	52,712	-	52,712
	<u>467,961</u>	<u>39,868,531</u>	<u>40,336,492</u>

18. Reconciliation of net income to net cash flow from operating activities

	<u>2020</u> \$	<u>2019</u> \$
Net income for the reporting period	3,099,217	4,970,949
Depreciation charges	38,160	37,102
Investment income	(21,355)	(30,957)
Gains on investments	(5,518,639)	(7,285,908)
Decrease/(Increase) in debtors	6,340	(30,352)
Increase in creditors	53,387	37,977
Net cash used in operating activities	<u>(2,342,890)</u>	<u>(2,301,189)</u>

19. Analysis of cash and cash equivalents

	<u>2020</u> \$	<u>2019</u> \$
Cash at bank and in hand	479,213	286,789
Total cash and cash equivalents	<u>479,213</u>	<u>286,789</u>

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Notes to the Financial Statements For the year ended 31 December 2020

20. Operating Lease

The company has taken out a 5 year lease for its office space starting 23 February 2018. At 31 December 2020 the total of the company's future minimum lease payments under non-cancellable operating leases was:

	<u>2020</u>	<u>2019</u>
	\$	\$
Amounts due within one year	165,324	160,531
Amounts due in two and five years	192,878	347,817
	<u>358,202</u>	<u>508,348</u>

Lease payments recognised as expenses total \$159,612 (2019: \$158,308)

21. Analysis of Grants

Analysis	Grant funding of activities \$
Mozambique Nutrition Project	0

Mozambique grant program was put on hold because of Covid-related delays and developments in Mozambique.

22. Contingent assets

On 25 July 2015, CIFF UK agreed to make a grant of \$360,000,000 to the Charity for purposes of creating an expendable endowment that will be used for the benefit of children, young people and their families in developing countries or countries in crisis (the "CIFF Grant"). On 9 June 2017, Sir Geoffrey Vos, Chancellor of the High Court, approved the CIFF Grant. One defendant in that case, Dr. Marko Lethimaki, made an application to the Court of Appeal for permission to appeal an aspect of the High Court judgment, and on 6 July 2018 the Court of Appeal allowed the appeal in part. On 26 July 2018, Big Win Philanthropy's Chair, Jamie Cooper, filed an application for permission to appeal to the Supreme Court of the United Kingdom. On 11 February 2019, the Supreme Court of the United Kingdom granted Ms. Cooper's application, and a hearing on the appeal was held on 14 and 15 January 2020. On 29 July 2020, the Supreme Court unanimously allowed Ms. Cooper's appeal and reinstated the judgment of the Chancellor approving the grant from CIFF UK to the Charity. After the Supreme Court's decision, CIFF UK referred the matter to the Charity Commission for approval, and on 9 November 2020, the Charity Commission provided its written approval of the payment of the CIFF Grant to the Charity. The CIFF Grant provides for twenty (20) quarterly tranche payments of \$18,000,000 each. In January 2021 CIFF UK made the first quarterly \$18,000,000 tranche payment, and it has made two additional tranche payments as of the date of this report. The remaining seventeen (17) quarterly tranche payments will be made pursuant to the terms of the CIFF Grant.

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23. Events after the reporting period

Throughout 2021, armed conflict has continued in the Tigray region of Ethiopia. As of the date of this report, the Ethiopian Army had withdrawn from most parts of Tigray, and the future of the conflict is impossible to predict. The ongoing conflict in Tigray has the potential to impact all of the Charity's Ethiopian programs, but particularly the Seqota Declaration initiative, which includes services in Tigray, all of which have been suspended for the foreseeable future. Ethiopia has also begun (but not completed) federal elections, which appear to have resulted in a victory for the ruling Prosperity Party, which means that Ethiopia should have continuity in leadership for the next five years.

As described above, in January 2021 the Charity received a significant gift of \$40,000,000 from its founder and has received the first three \$18,000,000 tranches of the CIFF Grant to the date of this report.