



ECONOMY

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

Year Ended 31 March 2021

Charity registration – 1166046

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Trustees annual report

The Board of Trustees submit their annual report and the financial statements of Economy for the year ended 31 March 2021.

The Board of Trustees confirms that the annual report and financial statements of the Charity comply with current statutory requirements, including the Charity Act 2011, as well as the requirements of the Society's governing document and the provisions of the 'Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition (effective 1 January 2019)', and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

Economy's objective is 'to advance education in economics for the public benefit.' Economy's goals and areas of activity are set out in our Theory of Change and Strategy 2019–2022.

In this annual report, we summarise progress on our strategy in Public Interest News and Entertainment, Schools and Young People, Adult Public Education and Training, Engaging Economic Decision-Makers, Publishing and Organisational Development; we summarise our impact and how we measure it, and we outline our future plans.

In March 2020, the coronavirus pandemic forced Economy to postpone or cancel all in person work and several planned partnerships. Over the course of the year we have adapted all our areas of activity to be deliverable digitally. We are enormously proud of the organisation's ability to quickly pivot its work in response to the pandemic in challenging circumstances and are grateful to the staff team, partners, participants, and funders for making this possible.

As a result, Economy has been able to successfully deliver on its objectives throughout the pandemic and ends the financial year in a strong position to continue delivering on its mission.



I am filled with hope about this opportunity to discuss the economy in ordinary terms. If this type of discussion group could happen in other places and situations, it would be amazing.

Victoria Park Crash Course participant

Public-Interest News and Entertainment

Voices of the economy

In October 2019 Economy began a new area of work, supported by the John Ellerman Foundation, to develop and launch a national network of citizen economists, drawn from the communities we work with and other interested groups, whom our editorial team will support to produce written and video content (comment, analysis, local news) for social, local and national media. Here are some examples of this content:

I want to work. But without my legal refugee status I'm not allowed.

- 'J'

Read [here](#).

Before the lockdown, I had everything covered.

– Owen Maclean

Watch [here](#).

Young people are very vulnerable to change.

–Faiza Rezai

Watch [here](#).

We have a vision of a diverse network of community contributors from marginalised communities, and media partners from across the UK who will work together to co-produce local and national public interest economics news coverage. This will reinvigorate and transform the media ecosystem by diversifying who has a public voice on the economy; develop a popular language which bridges the currently disconnected worlds of media, economics and everyday life; and give more people the means to hold decision makers accountable.

An important aspect of this work is that we pay all of our contributors for the content they produce, to ensure that their time and work are valued as part of our co-production approach.



In focusing on marginalised communities in this work, we're aiming to work with people who are currently structurally excluded from mainstream conversations and economic decision making, typically due to intersecting disadvantages. This included groups marginalised due to their gender, ethnicity, health, socio-economic background, migration status and geography.

Feedback from contributors has been overwhelmingly positive as characterised by this comment from Rachel:

For me, it [this work] gives me a purpose. A lot of the time I can just be seen in society as someone with mental health problems, who was homeless, and is claiming benefits. Gives me a chance to say hang on I am a human being, brings out human and compassionate nature. Let's people know that so many people are living in poverty and hidden poverty, it needs to be addressed and can't be brushed under the carpet. Gives me a reason to get up in the morning.

And this one from Marianne:

I didn't feel like I was talking economy-economy, like in the scary way where you feel like you should have a degree. If I was on some finance program on the BBC, I would have looked like a moron. But with you guys, it's a conversation where we're talking about things that are to do with finances, but also to do with life.

Ecnmy.org

Economy's news and entertainment platform ecnmy.org has reached over 1.6 million unique users to date and we have built relationships across a broad range of media organisations. Our media partnerships help us identify and share best practice in economic communication across the media. Economy's work has pushed the importance of economic communication up the political agenda, contributing to a cultural shift in the UK, towards more accessible economics coverage.

Great content combined with high profile media partnerships and our sustained focus on search engine optimisation has led to Economy appearing third or fourth on Google searches for 'economy' behind only the BBC, Wikipedia and the Cambridge Dictionary. For some search terms ecnmy.org even ranks first.

In the "Learn" section of ecnmy.org we provide accessible, pluralist economic literacy materials. By accessible, we mean that it's both free and understandable without any specialist knowledge. By pluralist, we mean that it acknowledges a range of economic perspective and asks the user to make their own individual judgements.

Our Learn content is designed to ground economic theories within the context of people's everyday lives and tangible lived experiences. This is important because we know from a 2016 YouGov poll that only 12% of people believe that politicians and the media talk about economics in a way that is accessible and understandable. To date, we have created 300+ Learn articles for ecnmy.org.

Nesta Future News Pilot Fund

In January 2020, Economy was invited to join the Nesta Future News Pilot Fund, a programme funded by the Department for Digital, Culture, Media and Sport which in turn was responding to a recommendation from the Cairncross Review on the future of Public-Interest Journalism in the UK.

The first lockdown in March 2020, meant that we had to pivot the project away from our project focusing on the West Midlands and postpone our planned partnership with Birmingham Live. Instead, we focused nationally with existing partners on exploring people's economic experiences of the pandemic. Between March and June 2020, we produced 26 pieces of multimedia content including articles, videos and a ten episode 'we need to talk about the economy' podcast series with 43 co-producers.

Being selected for and completing the Nesta Future News Pilot Fund under difficult circumstances gives Economy's media work significant credibility as a key part of the future of public-interest news provision in the UK (final report available [here](#)). The networks and relationships we have built through the programme with other media providers, experts and sector leaders puts Economy in a much stronger position to further develop and scale ecnmy.org and our Voices of the Economy network of contributors.

As part of this work, we developed and piloted Economy journalism training digitally in partnership with the journalist Hazel Sheffield in April 2020 for 14 journalists and communications officers. The workshop received great feedback, and we plan to incorporate it into our media partnerships going forward.

It's not an easy thing to take a mixed ability group and boost its journalistic and economic knowledge simultaneously up to a practical level in 3 hours (and still make it enjoyable!).

Journalism training attendee

Schools and Young People

Over the course of this year, we have responded to the disruption caused by the coronavirus pandemic by developing digital workshops for schools, which will support young people to have a voice and share their economic experiences in this period, and new teacher-led lessons that help young people make sense of the impact of the pandemic on their economic future.

These activities are helping us work towards our aims of ensuring an education in economic literacy for all young people, to empower them to navigate a time of profound economic change. This is a need which has only become

more urgent in the context of the coronavirus pandemic. Having a foundational understanding of how the economy works will support young people in their future working lives and to be active citizens. It will reduce the risk that they enter an economy that feels deeply uncertain and challenging without a toolkit to understand, engage with or influence it – a powerlessness that would be devastating for a generation that will need to solve existing grand economic challenges, from environmental crisis to the disruption of rapid automation, and will have their working lives shaped in the context of pandemic recovery.

In schools, we are the only provider of multi-session extracurricular interventions to provide access to economic literacy as an essential part of citizenship education (and distinct from financial capability). We also run one-off workshops and work with youth organisations serving 16-25s.

I now believe knowledge of economics is vital as it can help change my future by being more vocal with my thoughts and feelings... It's important people my age should get something like this as it gives them the knowledge and power to make change.

Year 12, Course Graduate

Building partnerships

We have partnered with The Politics Project to offer an economics-themed version of their Digital Surgery programme for Citizenship and Politics teachers called 'Digital Dialogue: Generation Covid – Your Economic Future'. We created the resources in early 2021 with teacher training scheduled for later in the year. Each school will hold four lessons finishing in a 'digital surgery' hour with their MP or a local councillor. As well as helping us adapt to the difficulties of pandemic delivery by reaching school students through teachers, this also provides a chance to explore a partnership model which increases our reach.

Pandemic-focused resources

We redeveloped our extracurricular workshops and materials, adding new content about key economic debates (e.g.: government spending poster) and tailoring the course for student-led delivery.

We created a new set of 2 teacher-led lesson plans and accompanying resources for use in our Politics Project partnership. In these materials, students explore how Covid has created an 'economic emergency' (Chancellor Rishi Sunak, Sept 2020); understand how governments can respond economically in times of crisis, including the terms

How do we invest in our future? Money in society




Did you do your homework? Catch up or discuss!

- Last week we suggested you follow the stocks of your favourite brand. Compare yours with a friend! How did its value change? Whose is the most valuable right now?
- Google How is money created - Bank of England. What even is money anyway?? Can you find out how much £ in the UK is 'real' physical money?



ecanmy


A closer look at how we value: a home or a haircut?



How could this affect someone's life?

ecanmy

How does inequality make us feel?



ecanmy

Ecological economics

'Humanity's 21st century challenge is to meet the needs of all within the means of the planet. In other words, to ensure that no one falls short on life's essentials (from food and housing to healthcare and political voice), while ensuring that collectively we do not overshoot our pressure on Earth's life-supporting systems... such as a stable climate, fertile soils, and a protective ozone layer.'

Kate Raworth, Economist

recession and public spending; and evaluate the impact of the post-Covid economy on young people's present job opportunities and long-term economic futures.

A programme of digital delivery

In response to the pandemic, we have also transitioned to direct digital delivery. We are offering 2 online workshops for young people. Our first workshop invites students to engage in our campaign to make economics accessible, followed by a second around the economic future of their generation. We have so far delivered 4 workshops to 54 students directly since launching in Nov 2020 and will grow delivery in 2021.

We also launched a live Q+A format in which students hear from professional economists and ask their questions. We ran a successful pilot with 15 young people and 5 economists from the Government Economics Service in Dec 2020 discussing the economic impact of the pandemic.

Adult Public Education and Training

As a result of the pandemic, we paused all in-person public education and training and our place-based Our Economy West Midlands work. We pivoted to offering shorter one-off training sessions digitally in partnership with other organisations. We ran a series of six workshops in partnership with the [Ella Baker School of Organising](#) on topics including Universal Basic Income, reshaping the economy after Covid and how to pay for Covid. 125 people attended overall, and participants gave the sessions an average score of 4.3 out of 5 for usefulness and 4.2 out of 5 for increasing knowledge. We have also continued to run online workshops and training for new and existing partners such as Pioneer Places in Birmingham and the West Midlands.

Over 2020/21 we have also explored how we can facilitate wider and more diverse participation in existing campaigns by supporting those involved to build their understanding of the relevant economic issues, without as an organisation endorsing particular campaign goals. To pilot this approach, we organised a livestream with Organise and UBI Conversation on the "what, why and how of Universal Basic Income" with a guest speaker Jessie Golem who has lived experience of being on UBI from a pilot in Canada. We then developed and delivered a UBI workshop for Organise in November to support their members to become advocates for UBI. We also co-produced a UBI campaign video with Organise members.

Building on the model of our work on Organise's UBI campaign, we will support Luminate in their work on audit reform. Our role will be to support the effective communication of technical economic concepts and arguments in engaging and accessible ways while also supporting a wider and more diverse cross-section of civil society to engage with and shape the campaign.

We are supporting the development of communications and messaging, education resources and content around the UK White Paper 'Restoring trust in audit and corporate governance' and other key events in Luminate's work programme.

The areas of accounting, audit and corporate governance are interesting spaces for Economy because they represent a body of knowledge and skills that are usually seen as highly specialised and will therefore benefit considerably from our work to make them accessible and relevant to more people's everyday lives.

Engaging Economic Decision Makers

In March 2021, we began a partnership with the Bank of England to support the development and delivery of their new online platform The Economy Hub, designed for members of their Citizens' Panels. We are working closely with a team at the Bank to develop the platform, working on its name and purpose, user and moderator guidelines and content plan. The platform will launch in late June 2021 for a test period before a larger launch event in the early autumn.

As part of this partnership, Economy will: produce and curate accessible multimedia content explaining key economic events in the news and underlying economic concepts and debates; organise regular online economic literacy workshops on economic themes to support participants to build the knowledge, skills and confidence required to participate in conversations about the economy; and support participants from under-represented backgrounds to produce articles and videos sharing their economic experience and views.

In summer 2020, Welsh Government asked Economy to produce a report on how it could improve the accessibility of its communication and engage more people in meaningful conversation about the future of the Welsh economy. The report represents an important development of Economy's case for change, with recommendations that are well-

placed to influence Welsh Government programmes.

In autumn 2020 Economy gave a keynote speech to an audience of social housing CEOs and Board Members at Community Housing Cymru's annual conference and participated in a panel conversation with Rhun ap Iorwerth (Plaid Cymru Deputy Leader and Shadow Minister for Health and Finance), Aditya Chakrabortty (Guardian) and Carys Roberts (IPPR).

A recent report on public understanding of the economy from the Office of National Statistics' think tank published in autumn 2020 draws heavily on Economy's research. This is an example of how Economy's work is filtering into and influencing public debate.

Publishing

Economy has written a book called What's the economy: why it matters and how talking about it could change the world which will be published by Bloomsbury in autumn 2021 and another book called Reclaiming economics for future generations with Rethinking Economics which will be published by Manchester University Press in early 2022. These publications will provide a valuable public education resource and strengthen further the case for the social change Economy wishes to see in the world.

Organisational Development

Economy recruited its first Deputy Chief Executive (DCEO) in September 2020. The DCEO leads Economy's work on organisational development and culture and has been focusing on developing our policies, systems and processes around finance, HR and culture, internal communications and diversity, inclusion and anti-oppression.

In February 2021, Economy's first Associate Director – Campaigns and Communications started in a newly created role. They lead Economy's voice, conversation and decision-making work which involves supporting more people to have a public voice on the economy, facilitating high quality economic conversations between diverse groups in society and increasing participation in economic decision-making. These two appointments increase Economy's capacity and expertise and will play a key role in taking the organisation to the next level.

The pandemic has affected Economy's staff team with major challenges presented for team members in terms of living and working from home conditions and sustaining good mental health. The organisation has devoted considerable energy and resources to team health and wellbeing including offering free and subsidised counselling and coaching, going through a process of completing wellness action plans, and building in cushions of staff time into work plans to provide flexibility around the difficult and evolving circumstances.

Diversity, inclusion, and anti-oppression has been a key priority with the organisation agreeing a policy and action plan at the start of the financial year. As part of this work, Economy has reviewed and changed its approach to recruitment and organised two sessions of anti-racism training for the staff team and trustee board. We will review and update our policy and action plan early in the new financial year strengthening our commitment to this work and identifying priorities for the next year.

Towards the end of the financial year, we began developing a new organisational website which we hope will be live by autumn 2021 and will enable us to better communicate our vision, mission and activities to potential partners and other stakeholders.

Our Impact

Economy's vision is of a flourishing and sustainable society in which there is diverse and inclusive public conversation about the economy, and economics is a tool everybody can use to make confident personal choices; articulate their needs, values and priorities; take action to shape the economy and participate in democracy.

We believe that being able to talk about the economy and shape it are essential foundations for wellbeing, citizenship, social cohesion, economic security, and democracy.

Some of our recent impact highlights include:

- Over 1.6 million people have engaged with understandable economic news and co-produced community stories at ecnmy.org.
- Over 280 adults attended Economy workshops and Crash Courses across Greater Manchester, London and

Scotland, building critical economic knowledge, confidence and skills.

- We partnered with the Manchester Evening News, producing an 8 page 'Our Economy' pullout showcasing the views and experiences of local people, as well as local economic news affecting their communities. The pullout was distributed through our community partners and in 33,000 copies of the MEN.
- 40 young people participated in our 'Discover the Economy' extracurricular course, and a further 600 young people joined our one off workshops and events.
- We have created 300+ Learn articles for ecnmy.org, covering everything from 'why are house prices so expensive' to 'is inequality really a problem?' This content both provides economic literacy to end users and provides a model for other media outlet's economic coverage.
- We won a Nesta Democracy Pioneer Award for our work creating the conditions for public participation in economic conversation and decision making.
- We co-edited a 65-page guidance journal for teachers, dedicated to Economics Education in Citizenship with the Association of Citizenship Teaching and Young Enterprise. A print copy was sent to every secondary school in the UK.
- 94% of participants that completed our Crash Course indicated that they would like to engage with economic decision making in their local authority.
- 55 young people and 26 young professionals from the Government Economics Service, the Office for Budget Responsibility, BlackRock, ICAEW, Bank of England, PwC, Grant Thornton and Deloitte attended our first ever 'Economics in Society' careers event.

How we capture our impact

We aim to take a continuous learning approach to all of the activities that we undertake at Economy. That means:

1. We collect data using a two-minute survey for all participants and collaborators in our education and co-production activities. This helps us get top-level feedback on our impact and to monitor the diversity of the participants that we are engaging with.
2. Whenever we're delivering an extended piece of work or project we produce a monitoring and evaluation plan. This sets out the specific measurement tools and indicators that will be used and how the data collected will be analysed.
3. We collect data on engagement with our digital outputs and our overall organisational impact on a rolling basis, and review it regularly together as a whole staff team as part of a monthly discussion on what we have learned.

An individual's journey with economics - Evaluating our 'Theory of Change'

In all our work, Economy aims to take our audience on an economic journey. From a starting point of feeling 'Averse', our users move through 'Identity', 'Understanding' and, finally, 'Empowerment'.

A brief description of these stages and how we measure them is below:

Stage	Description	Measurement
Averse or 'I'm not part of the conversation'	Economics is experienced as nothing to do with them / boring / just money or stress / something they can't understand / not something they feel able to discuss, question or shape	<ul style="list-style-type: none"> Sees economics as a fearful topic of conversation and something they would avoid
Identity	Highlighting the economics in everyday life, for those who feel it has nothing to do with them	<ul style="list-style-type: none"> Identifies that economics is a part of their life Perceives economics to be to do with them as an individual Views economics as connected to things they already care about Reports the relevance of learning more about economics as its connected to their daily life
Understanding	Demystifying jargon and breaking economics down in simple terms, for those who feel it's unnecessarily complicated	<ul style="list-style-type: none"> Reports a sense of clarity around key concepts of economics Reports an increased awareness and understanding of how economics relates to specific areas of their day to day life Reports an increased level of understanding of the definitions of and rationale behind key economic concepts in the news cycle, such as trade agreements, quantitative easing, budget deficit Identifies as being better able to understand media discussions on economic topics
Empowerment	Giving people ways to question and shape economics, for those who feel they can't change it	<ul style="list-style-type: none"> Identifies that they know how to access economics and when it might be of use to them Reports they feel able to make informed decisions when voting about a policy which would affect the economy Identifies as desiring to shape the economy Reports understanding different ways to shape the economy

Plans for future periods

As we are in the last year of our current three-year strategy (2019-22) a significant priority for the 2021-22 financial year will be to review and update our organisational theory of change and develop a new three-year strategy (2022-25).

Work on this is already underway, and the staff team and board of trustees will be reviewing learning from the current strategy, mapping our environment, horizon scanning and developing a participation plan which will allow us to gather input and feedback from partners and end users while also centring diversity, inclusion, and anti-oppression.

Across all our areas of activity, we plan to reincorporate in-person work when public health conditions allow while retaining the best aspects of online delivery developed over the last year, to create new hybrid models of working.

Financial review

The Charity achieved a surplus of £68,815 in the year (2020 – £6,437) resulting in total funds at the year-end of £125,315 (2020 – £56,500).

Of the funds held at year end £74,344 (2020 – £32,467) were unrestricted as to use, and the Trustees are happy this level of reserves meets the reserves policy below and falls safely between the targeted level and upper stretch goal noted below.

Reserves policy

This year Economy has adopted an updated reserves policy that sets out the intended uses of reserves as:

- covering unpredictable, unavoidable costs that fall outside the annual budgeting process,
- providing organisational continuity in the event of a sudden loss of funding, and
- enabling an orderly wind-down of the organisation in the event of a catastrophic loss of funding.

The policy sets out for the current and following three financial years:

- a minimum level of reserves based on calculated wind-down costs (£25,000),
- a targeted level of reserves based on three-months operating costs (£59,000), and
- an upper stretch goal level for reserves based on five-months operating costs (£98,000).

It then calculates the expected annual contribution to reserves each year based on budgeted and estimated expenditure and income for each of these financial years.

The reserves policy will be reviewed by the board annually as part of the organisational budget setting process.

Governance and management structures

Economy is a charitable incorporated organisation administered by a board of trustees and governed by its amended constitution dated 20th July 2021. It was registered with the Charity Commission on 14th March 2016.

All trustees are appointed by vote by the trustees. Every trustee must be appointed for a term of three years, with a maximum of two consecutive terms, by a resolution passed at a properly convened meeting of the charity trustees. The minimum number of trustees permitted under the constitution is six, and the maximum number is twelve.

The trustees of Economy perform the usual duties of trustees, including appointing and managing the Chief Executive, setting the strategy, and ensuring compliance with financial and other obligations.

Economy began as a project of Rethinking Economics (REPCE) – registered charity number 1158972. When Economy formally separated from REPCE both charities were keen to institutionalise the important role that the Rethinking Economics student movement plays in Economy's work. Therefore, Economy was set up as a charitable incorporated organisation using the association model with its sole member being REPCE.

At the AGM, the membership (i.e. REPCE) would approve Economy's annual accounts and elect its new trustees. In addition, by convention a member of REPCE's trustee board was also a trustee of Economy.

During the financial year the Board conducted a governance review which considered Economy's constitution; its relationship with Rethinking Economics; Board committee structures and leadership roles; Board composition including: power, privilege and diversity, skills and how best to utilise them, size, recruitment; Board relationship and communication with staff, and Board oversight of organisational policy, strategy and progress against strategy.

As a result of this, on 20 July 2021 the structure of the charitable incorporated organisation was amended to follow the foundation model and a new constitution approved removing the link with REPCE moving forward.

A task and finish group of trustees was set up to conduct the review and report back to the full Board. As a result of the review, a new committee structure was agreed with a Finance and Business Planning Committee and Pay, Progression and HR Committee and further changes will be discussed in the 2021/22 financial year.

Key management personnel

During 2020/21 day to day management of the organisation was delegated to the Chief Executive who was responsible for ensuring the operations of the charity are managed efficiently. The CEO is responsible for:

- Setting strategic direction to fulfil goals agreed by Trustee board.
- Fundraising and income generation.
- Employing staff, setting remuneration, and related HR matters.
- Setting and oversight of budgets.

During 2020/21 Economy recruited a Deputy Chief Executive to strengthen its management team. The DCEO is responsible for:

- Leading organisational development through developing and implementing systems, policies and processes.
- Overseeing financial planning, management, reporting and compliance.
- Supporting project and programme delivery.
- Deputising for the CEO.

Risk management

The board of Trustees and key management personnel have a rigorous approach to risk management, and the key risks facing the organisation are reviewed on an ongoing basis, with mitigating actions put in place to minimise the ongoing risk to the charity. This year we have implemented a new risk register to summarise the key risks facing the charity and mitigating actions being taken, and review this at every board meeting.

The key risks currently facing the organisation are:

- Recovering from the disruption of the pandemic – during 2020/21 we successfully moved to a digital model of delivery, but are now facing the challenge of developing a new post-pandemic model of working that will likely combine in-person and digital delivery, while supporting our staff through what continues to be a period with much uncertainty about the public health and related national situation.
- Financial sustainability – Economy has successfully transitioned from a single start up funder to a broader portfolio of supportive funders and commissioning partners, but the challenge in the medium term is to develop a business model which ensures the organisation's financial sustainability and its ability to expand its operations to meet demand.

Reference and administrative details

Registered office

13 Fonthill Road
London
N4 3HY

Trustees

Ben Hughes	Chairperson (from 27 April 2020)
Meena Bharadwa	
Ann Don Bosco	(resigned 3 March 2021)
Ken Hayes	
Matt Giugni	
William Jeffwitz	
Aoife O'Leary	(resigned 23 September 2021)
Rachel Straus	
Louise Russell-Prywata	
Mehroosh Tak	

Independent examiners

Andy Nash Accounting & Consultancy Ltd
Units 24 & 25
Goodsheds Container Village
Hood Road
Barry
CF62 5QU

Principal banker

Triodos Bank
Deanery Road
Bristol
BS1 5AS

Statement of Board of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. Charity law requires the Trustees to prepare financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under charity law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of the excess of expenditure over income for that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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; and,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue its activities.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They have general responsibility

for taking such steps as are reasonably open to them to safeguard the assets of the Charity and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In addition, the Trustees confirm that they are happy that content of the annual review in pages 3 to 15 of this document meet the requirements of the Trustees' Annual Report under charity law.

They also confirm that the financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

This report was approved and authorised for issue by the Board of Trustees on 19 October 2021 and signed on its behalf by:



BEN HUGHES

CHAIRPERSON

Independent examiner's report

I report to the Trustees on my examination of the accounts of Economy (Charity number 1166046) for the year ended 31 March 2021 which are set out on pages 18 to 30.

Respective responsibilities of trustees and examiner

The Charity's Trustees are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the Charities Act). The Charity's Trustees consider that an audit is not required for this year under section 144 of the Charities Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and,
- to state whether particular matters have come to my attention.

This report, including my statement, has been prepared for and only for the Charity's Trustees as a body. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body for my examination work, for this report, or for the statements I have made.

Basis of independent examiner's statement

My examination was carried out in accordance with general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the Trustees concerning any such matters.

The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

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

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

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



ANDREW PHILIP NASH ACA

MEMBER OF THE INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES – 2461833

DATED: 19 OCTOBER 2021

Andy Nash Accounting & Consultancy Ltd
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Statement of financial activities

For the year ended 31 March 2021

		Unrestricted	Restricted	Total	Total
		Funds	Funds	Funds	Funds
		2021	2021	2021	2020
	Notes	£	£	£	£
Income from:					
Donations & legacies	3	54,162	229,283	283,445	213,688
Charitable activities		36,348	–	36,348	21,667
Investments		68	–	68	41
Total income		90,578	229,283	319,861	235,396
Expenditure on:					
Raising funds	4 & 5	33,154	–	33,154	29,177
Charitable activities					
Community	4 & 6	4,856	63,207	68,063	71,334
Digital & campaigns	4 & 6	7,581	98,664	106,245	88,751
Schools	4 & 6	3,110	40,474	43,584	39,697
Total charitable activities		15,547	202,345	217,892	199,782
Total expenditure		48,701	202,345	251,046	228,959
Net movement in funds		41,877	26,938	68,815	6,437
Reconciliation of funds:					
Total funds brought forward	10 & 11	32,467	24,033	56,500	50,063
Total funds carried forward	10 & 11	74,344	50,971	125,315	56,500

The notes on pages 20 to 30 form part of the financial statements.

Balance sheet**As at 31 March 2021**

	Notes	Total funds 2021 £	Total funds 2020 £
Current assets:			
Debtors	8	7,956	2,874
Cash at bank and in hand		162,054	114,109
Total current assets		170,010	116,983
Creditors:			
Amounts falling due within one year	9	(44,695)	(60,483)
Total net assets		125,315	56,500
Funds of the charity:			
Restricted income funds	10 & 11	50,971	24,033
Unrestricted funds	10 & 11	74,344	32,467
		125,315	56,500

The notes on pages 20 to 30 form part of the financial statements.

These financial statements were approved and authorised for issue by the Board of Trustees on 19 October 2021 and signed on their behalf by:


BEN HUGHES**CHAIRPERSON**

Notes to the financial statements

1. Accounting policies

Basis of preparation of the financial statements

The financial statements have been prepared in accordance with 'Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition (effective 1 January 2019)', the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), including Update Bulletin 1, and relevant charities law.

The effect of any event relating to the year ended 31 March 2021, which occurred before the date of approval of the financial statements by the Board of Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 March 2021 and the results for the year ended on that date.

Under the exemption available to smaller charities the Board of Trustees has chosen not to include a Statement of Cash Flows within the financial statements.

The functional currency of the Charity is sterling and amounts in the financial statements are rounded to the nearest pound.

Legal status

Economy is a charitable incorporated organisation registered in England & Wales, and meets the definition of a public benefit entity. The registered office is 13 Fonthill Road, London, N4 3HY.

Going concern

The financial statements have been prepared on the going concern basis as the Board of Trustees is confident that future reserves and future income is more than sufficient to meet current commitments. There are no material uncertainties that impact this assessment, and the ongoing COVID-19 global pandemic has had no material impact on this assessment.

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by donors or that have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in note 10 of the financial statements.

Income

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

Donations are recognised in full in the Statement of Financial Activities when entitled, receipt is probable and when the amount can be quantified with reasonable accuracy. Gift aid receivable is included when claimable – i.e. when the eligible donation is received.

Grant income is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless the grant relates to a future year, in which case it is deferred.

Income from charitable activities is credited to the Statement of Financial Activities when received or receivable whichever is earlier, unless it relates to a specific future period or event, in which case it is deferred.

1. Accounting policies (continued from previous page)

Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated between activities proportionate to the direct costs incurred in those activities.

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

Tangible fixed assets and depreciation

Any assets costing more than £500 are capitalised other than those purchased using restricted funds.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits with banks and funds that are readily convertible into cash at, or close to, their carrying values, but are not held for investment purposes.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount is applied.

Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably.

Financial instruments

Basic financial instruments are measured at amortised cost other than investments which are measured at fair value.

Critical estimates and judgements

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The treatment of tangible fixed assets is sensitive to changes in useful economic lives and residual values of assets. These are reassessed annually.

In the view of the Trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

2. Comparative statement of financial activities

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Income from:			
Donations & legacies	579	213,109	213,688
Charitable activities	21,667	-	21,667
Investments	41	-	41
Total income	22,287	213,109	235,396
Expenditure on:			
Raising funds	27,671	1,506	29,177
Charitable activities			
Community	-	71,334	71,334
Digital & campaigns	-	88,751	88,751
Schools	-	39,697	39,697
Total charitable activities	-	199,782	199,782
Total expenditure	27,671	201,288	228,959
Net movement in funds	(5,384)	11,821	6,437
Reconciliation of funds:			
Total funds brought forward	37,851	12,212	50,063
Total funds carried forward	32,467	24,033	56,500

3. Income from donations and legacies

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Grants	46,000	229,283	275,283
HMRC CJRS Grants	7,642	-	7,642
Donations	520	-	520
	54,162	229,283	283,445
	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Grants	-	213,109	213,109
Donations	579	-	579
	579	213,109	213,688

4. Total expenditure

	Direct staff expenditure 2021 £	Direct other expenditure 2021 £	Indirect staff expenditure 2021 £	Indirect other expenditure 2021 £	Total expenditure 2021 £
Raising funds	26,574	-	1,740	4,840	33,154
Charitable activities					
Community	54,228	328	3,572	9,935	68,063
Digital & campaigns	69,663	15,497	5,576	15,509	106,245
Schools	34,583	351	2,287	6,363	43,584
	185,048	16,176	13,175	36,647	251,046

	Direct staff expenditure 2020 £	Direct other expenditure 2020 £	Indirect staff expenditure 2020 £	Indirect other expenditure 2020 £	Total expenditure 2020 £
Raising funds	21,680	-	2,671	4,826	29,177
Charitable activities					
Community	42,371	10,635	6,530	11,798	71,334
Digital & campaigns	55,812	10,136	8,124	14,679	88,751
Schools	28,145	1,352	3,633	6,567	39,697
	148,008	22,123	20,958	37,870	228,959

Indirect costs, including governance costs, which cannot be directly attributed to activities, are allocated between activities proportionate to the direct costs incurred in those activities.

A breakdown of expenditure on raising funds between restricted and unrestricted funds can be found in note 5.

A breakdown of charitable expenditure between restricted and unrestricted funds can be found in note 6.

An analysis of staff costs can be found in note 7.

Indirect costs includes the following items:

	Total Funds 2021 £	Total Funds 2020 £
Indirect staff costs	13,175	20,958
Other people costs	9,168	3,285
Office & administration costs	5,625	23,396
Professional fees	18,949	9,333
Governance costs	2,904	1,856
	49,821	58,828

4. Total expenditure (continued from previous page)

Governance costs includes the following items:

	Total Funds 2021 £	Total Funds 2020 £
Independent examination	1,260	1,260
Insurance	1,644	524
Trustee expenses	-	72
	2,904	1,856

5. Expenditure on raising funds

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Direct staff costs	10,044	16,530	26,574
Indirect staff costs	1,740	-	1,740
Indirect other costs	4,840	-	4,840
	16,624	16,530	33,154

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Direct staff costs	20,174	1,506	21,680
Indirect staff costs	2,671	-	2,671
Indirect other costs	4,826	-	4,826
	27,671	1,506	29,177

6. Expenditure on charitable activities

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Community			
Direct staff costs	-	54,228	54,228
Direct other costs	-	328	328
Indirect staff costs	-	3,572	3,572
Indirect other costs	4,856	5,079	9,935
	4,856	63,207	68,063
Digital & campaigns			
Direct staff costs	-	69,663	69,663
Direct other costs	-	15,497	15,497
Indirect staff costs	-	5,576	5,576
Indirect other costs	7,581	7,928	15,509
	7,581	98,664	106,245
Schools			
Direct staff costs	-	34,583	34,583
Direct other costs	-	351	351
Indirect staff costs	-	2,287	2,287
Indirect other costs	3,110	3,253	6,363
	3,110	40,474	43,584
	15,547	202,345	217,892
	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Community			
Direct staff costs	-	42,371	42,371
Direct other costs	-	10,635	10,635
Indirect staff costs	-	6,530	6,530
Indirect other costs	-	11,798	11,798
	-	71,334	71,334
Digital & campaigns			
Direct staff costs	-	55,812	55,812
Direct other costs	-	10,136	10,136
Indirect staff costs	-	8,124	8,124
Indirect other costs	-	14,679	14,679
	-	88,751	88,751
Schools			
Direct staff costs	-	28,145	28,145
Direct other costs	-	1,352	1,352
Indirect staff costs	-	3,633	3,633
Indirect other costs	-	6,567	6,567
	-	39,697	39,697
	-	199,782	199,782

7. Staff numbers and costs

	Total Funds 2021 £	Total Funds 2020 £
Gross salaries	173,748	150,496
Employer's NIC	12,519	10,698
Employer's pension	11,956	7,772
	198,223	168,966

The average headcount during the year was 7 persons (2020 – 7).

No employee received employee benefits of more than £60,000 (2020 – NIL).

Total remuneration to key management personnel in the year was £79,326 (2020 – £39,375).

8. Debtors and prepayments

	Total Funds 2021 £	Total Funds 2020 £
Trade debtors	6,703	2,800
Prepayments	690	74
Accrued grant income	563	-
	7,956	2,874

9. Creditors: amounts falling due within one year

	Total	Total
	Funds	Funds
	2021	2020
	£	£
Trade creditors	1,877	121
Accruals	1,982	1,260
HMRC creditor	5,039	2,742
Pension creditor	1,951	913
Deferred grant revenue	33,846	55,387
Other creditors	-	60
	44,695	60,483

Deferred revenue relates to amounts received from a multitude of funders for subsequent years and can be analysed as follows:

	Total	Total
	Funds	Funds
	2021	2020
	£	£
Deferred grant revenue brought forward	55,387	64,800
Released to grant revenue in the period	(55,387)	(64,800)
Grant revenue deferred in the period	33,846	55,387
Deferred grant revenue carried forward	33,846	55,387

10. Analysis of charity funds

	Funds brought forward 2021 £	Income for the period 2021 £	Expenditure in the period 2021 £	Transfers in the period 2021 £	Funds carried forward 2021 £
Unrestricted funds	32,467	90,578	(48,701)	-	74,344
Restricted funds					
Barrow Cadbury	4,106	30,000	(31,606)	-	2,500
Friends Provident					
Foundation - core	2,389	90,000	(63,918)	-	28,471
Garfield Weston	9,340	14,583	(23,923)	-	-
John Ellerman	8,198	50,000	(38,198)	-	20,000
NESTA	-	44,700	(44,700)	-	-
	24,033	229,283	(202,345)	-	50,971
Total funds	56,500	319,861	(251,046)	-	125,315

Barrow Cadbury

The Charity received funds from the Barrow Cadbury Trust towards delivering its Community Crash Course in Economics and co-produced journalism activities with partner community organisations in the West Midlands. The funding runs until May 2021.

Friends Provident Foundation - core

The Charity received funds from Friends Provident Foundation for core costs from October 2019.

Garfield Weston

The Charity received funds from Garfield Weston to run its school programme. The funding runs until November 2021.

John Ellerman

The Charity received funds from the John Ellerman Foundation to co-produce written and video media content sharing the economic views and experiences of individuals and communities furthest from power so that they have a public voice on the economy and collective we can begin to change public narratives about the economy. The funding runs until September 2021.

NESTA Future News Fund

The Charity received funds from the Nesta Future News Fund, a Department for Digital, Culture, Media & Sport funded initiative, responding to a recommendation in the Cairncross Review, which set out to explore the future of public-interest journalism in the UK. Economy's project was based on co-producing local economic news with communities and partnering with local and national media providers. The funding ran until June 2020.

	Funds brought forward	Income for the period	Expenditure in the period	Transfers in the period	Funds carried forward
	2020	2020	2020	2020	2020
	£	£	£	£	£
Unrestricted funds	37,851	22,287	(27,671)	-	32,467
Restricted funds					
Allen & Overy	5,533	-	(5,533)	-	-
Barrow Cadbury	-	27,500	(23,394)	-	4,106
Campion Fund	-	7,940	(7,940)	-	-
Esmee Fairbairn Foundation	4,510	20,000	(24,510)	-	-
Friends Provident Foundation - core	-	50,000	(47,611)	-	2,389
Friends Provident Foundation - digital	-	42,161	(42,161)	-	-
Garfield Weston	-	10,416	(1,076)	-	9,340
ICAEW	2,169	23,638	(25,807)	-	-
John Ellerman	-	31,154	(22,956)	-	8,198
NESTA	-	300	(300)	-	-
	12,212	213,109	(201,288)	-	24,033
Total funds	50,063	235,396	(228,959)	-	56,500

Allen & Overy

The Charity received funds from Allen & Overy to create and pilot a young 'Economy Ambassador' programme of additional sessions and activities for graduates of our core 8 week Discover the Economy schools course, helping them explore the workplace and become active citizens.

Campion Fund

The Charity received funds from the Campion Fund to run workshops and a We Need to Talk About the Economy pop up space, which was attended by Clare Lombardelli, Chief Economic Adviser at HM Treasury, at the Levenshulme Inspire Community Centre in Manchester. The funding ran until July 2019.

Esmee Fairbairn Foundation

The Charity received funds from Esmee Fairbairn Foundation towards delivering a community Crash Course in economics to engage those who do not typically engage with economics, and improve understanding and confidence as well as encourage social actions. The funding ran until September 2020.

Friends Provident Foundation - digital

The Charity received funds from Friends Provident Foundation for phase two of the 'Learn' and 'What Just Happened?!' digital journalism projects. The prior year deficit was met by funds received in arrears within the current year.

ICAEW

The Charity received funds from ICAEW to work towards statutory change, provide leadership and development of resources, support the teaching profession, and engage stakeholders in economics education for 11 to 18 year olds. The funding ran until January 2020.

11. Analysis of net assets

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Current assets	85,193	84,817	170,010
Current liabilities	(10,849)	(33,846)	(44,695)
	74,344	50,971	125,315

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Current assets	37,563	79,420	116,983
Current liabilities	(5,096)	(55,387)	(60,483)
	32,467	24,033	56,500

12. Trustee remuneration

During the year, no trustee received any remuneration. No members of the Board of Trustees received reimbursement of expenses (2020: one trustee received reimbursement of travel expenses for attendance at Trustee meetings totalling £72).

13. Related party transactions

During the year there were no related party transactions.

14. Guarantees and secured charges

As of 31 March 2021 the Charity did not have any outstanding guarantees to third partners nor any debts secured against assets of the Charity.

