

Company registration number: 10527810

Charity registration number: 1175536

Ministry of Building Innovation

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

GRC Accountants Limited
166 Banks Road
West Kirby
Wirral
Merseyside
CH48 0RH

Ministry of Building Innovation

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Ministry of Building Innovation

Reference and Administrative Details

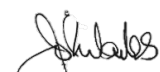
Chairman	John Mathers
Trustees	John Mathers George Anthony Clarke Mary Valerie Linda Parsons Mark Farmer Mr Steve Quartermain
Principal Office	Lyday House Oakridge Lynch Stroud Gloucestershire GL6 7NU
Company Registration Number	10527810
Charity Registration Number	1175536
Bankers	Metro Bank One Southampton Row London W1CB 5HA
Independent Examiner	GRC Accountants Limited 166 Banks Road West Kirby Wirral Merseyside CH48 0RH

Ministry of Building Innovation

Strategic Report for the Year Ended 31 December 2020

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 December 2020, in compliance with s414C of the Companies Act 2006.

The strategic report was approved by the trustees of the charity on 21 September 2021 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'John Mathers', is written over a horizontal dotted line.

John Mathers
Chairman and Trustee

Ministry of Building Innovation

Trustees' Report

The Trustees, who are Directors for the purposes of Company Law, present the Annual Report together with the financial statements of the Charitable Company for the period ended 31 December 2020.

Structure, Governance and Management

Nature of Governing Document

The Ministry of Building Innovation (MOBI) is a Company Limited by Guarantee (No: 10527810). It is registered as a charity with the Charity Commission in England and Wales (No: 1175536). Its Governing Instruments are its Memorandum of Association and Articles of Association which were approved on 15th December 2016. They were revised on 17th August 2017. The charity operates under the title of the Ministry of Building Innovation and Education (MOBIE). The charity remains registered at Companies House as MOBI.

Purpose

Young people, housing and education is at the heart of MOBIE's work. The Charity works with a range of **education** and other partners to deliver home design and innovation learning at all age levels; it **engages** young people to inspire them to take an interest in and pursue careers in the built environment and it promotes **innovation** in housing design. MOBIE will:

- inspire, train and re-train young people to deliver the homes and places that we want and really need; and
- advance home design and innovative construction thinking, working with industry and government to help provide homes that will genuinely transform the way we live in Britain.

MOBIE has five main priorities that will help it achieve its aims:

- developing a Further and Higher Education offer in advanced home design, manufacture and construction;
- developing a schools' programme to inspire younger generations to pursue a career in innovative home design and manufacture;
- running national and local home design challenges to enable young talented designers to share their vision and ideas of the homes of the future;
- creating an International Centre for Advanced Home Design, Innovation and Manufacturing to be *the* hub for innovative home-making and learning in the UK; and
- undertaking Research and Development to advance home design and manufacturing knowledge

Organisation Structure

MOBIE is governed by a Board of Trustees. The Board must have at least three members. The Board usually meets on a 6-8 week cycle. The composition of the Board is reviewed on a regular basis to ensure that it remains appropriate and has the right composition of skills and expertise to direct the activities of the Charity.

The Trust's work is guided by a Business Plan 2017 – 2020. Results are monitored throughout the year by the Board. In 2020 we produced our next Business Plan

The day to day control and operation of the Charity were managed by the Chief Executive. MOBIE's other staff are a Head of Education, who leads on the development of education approaches in advanced home design, manufacture and construction, and a Head of Design who is contracted to undertake specific pieces of design work including design challenges and MOBIE's website.

Recruitment and appointment of Trustees

Keeping the Board current and relevant is vital for the good governance of the Charity. Consideration is given to relevance and breadth of knowledge, diversity of personal qualities, skills and experience.

In 2020 we appointed Steve Quartermain, formerly the Government's Chief Planner, as a MOBIE Trustee.

Ministry of Building Innovation

Trustees' Report

Working relationships

MOBIE achieves its objectives by working in partnership with other stakeholders:

- Higher Education - courses are developed with partner Universities who deliver the course outcomes and content co-created with MOBIE; MOBIE assists with delivery where appropriate and oversees quality; we have created a Research and Development capability in partnership with Northumbria University – The Future Homes Innovation Centre.
- Further Education - we have partnered with Pearson, the world's leading learning company, to develop MOBIE modules for their Construction and Built Environment BTEC, and MOBIE Future Homes Design and Construction Higher National Certificates (HNC) and Diplomas (HND).
- We continue to explore options for a Centre for Advanced Home Design, Innovation and Manufacturing with partners.
- We have joined forces with a variety of partners to deliver Home Design Challenges.

Major risks and risk management

MOBIE maintains a risk register to identify potential risks, gauge the likelihood of the risk occurring, estimate the impact were it to occur and detail the arrangements that have been put in place to reduce the risk. This is reviewed by the Executive on a regular basis and by Board at least annually. 2020 was an exceptionally difficult and challenging year for the country due to the Covid-19 Pandemic with significant impact on all businesses and employers and as a result the charity had to adapt to the impacts of the pandemic and adjusted its activities, programmes and expenditure accordingly.

Objectives and activities

Objectives and aims

As detailed in the Memorandum of Association, the Charity's objectives are "to advance such charitable purposes as the trustees see fit from time to time but not limited to advancing the education of young people and adults for the public benefit by providing centres of educational excellence, delivering educational programmes, carrying out research and making grants and awards to students". In part, these activities will be delivered with funding from grants, donations and income from student fees.

MOBIE trustees have complied with their duty to have regard to the Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

Financial review

The Statement of Financial Activities (SOFA) set out on page 11, is designed to reflect all income receivable in the period covered by the report irrespective of when it is spent.

During the year the charity received income of £156k. The charity continued to benefit from the remaining funds from a donation in 2017 of £500,000. The charity had total expended resources for the year of £180,264. The accumulated funds at the end of the year were £25k. The charity benefitted from the generous in-kind contributions from Places for People who produced our monthly and annual accounts.

These financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP) and applicable accounting standards.

Policy on reserves

The charity will need to hold sufficient unrestricted reserves to enable it to deliver projects and outcomes in line with the public benefit it provides. A reserve will be developed and retained to enable this to happen. The Board of Trustees monitor the reserves and cashflow at each Board meeting to ensure the charity remains in a financial position to complete its required activities in both the short- and long-term. In support of our reserves policy, our intention is to hold reserves equivalent to 6 months running costs that will enable the charity to fund any short-term deficits in our cash budget due to, for example, delayed payments for services or award of grants. Due to the Covid-19 Pandemic it was not possible to build up reserves in 2020.

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Trustees' Report

Investment policy and objectives

The charity has the power to invest any monies not immediately required for its purposes in or upon such investments, securities or property as is considered fit subject to such conditions and consents as may be imposed or required by law and within the limits of the Ministry of Building Innovation and Education Policy. No monies were invested during the reporting period with all reserves held in the Charity bank account. Due to the prevailing economic conditions in 2020 the Charity did not build up its reserves.

Going concern

The charity operates to an agreed annual budget that is aligned to the Charity's Business Plan. The long-term operating model of the charity is to keep running costs focussed on core staff and any required services and facilities required to deliver our objectives. We will fund this through income from a percentage of student fees on MOBIE courses, contracts, grants and any in-kind funding through partnerships to meet the operating costs and project costs of the organisation.

MOBIE received income from the MSc course at Teesside University, grants from the Wates Giving Fund to run a primary school design challenge, the City Charitable Trust to develop a MOBIE programme in Scotland and private donors to develop a climate change app for school children. MOBIE also received income from contracts including a consortium bid for a Construction Industry Training Board (CITB) project to deliver train the trainer materials in offsite construction, Offsite Ready, a consortium to run a design competition for the Home of 2030, with MOBIE delivering the Young Persons' Design Challenge, and Places for People for design services for its Gilston Park community building.

The charitable activities undertaken may require any unrestricted reserves to be utilised in order to deliver the agreed objectives in the Business Plan. The Directors are satisfied that the Charity is a going concern.

Achievements and performance

MOBIE's activities were affected by the Covid-19 pandemic and the national lockdowns throughout 2020. We had to adapt to the impacts of the pandemic and adjust our activities, programmes and expenditure accordingly. In particular design challenges for schools and young people had to change. Participation was affected as schools focussed on the curriculum and helping pupils catch up with lost and disrupted learning. Finals and presentation events were delayed and then held virtually. Planned training events for colleges and industry switched from physical to virtual presentation, but this enabled an increased number of events to be held and it resulted in increased attendance. MOBIE reduced its working week to four days throughout lockdown period to reduce expenditure, but as project and challenge work continued throughout lockdown furloughing of staff was not required or initiated.

Highlights for 2020 include the delivery of the Offsite Ready training materials and webinars for industry and academic trainers, the Home of 2030 Young Persons' Design Challenge, and the commencement of the Innovative Home Design and Construction BSc in partnership with Teesside University, the Design for Future Living BA with Birmingham City University and the Offsite Housing Construction distance learning MSc with Wolverhampton University.

Through the year we continued to strengthen the MOBIE brand through our website and social media. MOBIE authored articles appeared in *The Planner* (the journal of the Royal Town Planning Institute, RTPI) on house design, *Building Engineer* on MMC and sustainability skills in construction and Mark Southgate, MOBIE CEO, was the feature interview in *The Planner* - all generating increased and favourable awareness of MOBIE among the planning and built environment community.

These courses and the young peoples' design challenges are the beginning of delivering our vision of inspiring, training and re-training young people to deliver the homes and places that we want and really need. We will continue to positively shape the future of home building in the UK by educating young people in a different way of thinking and doing and inspiring more young people to take up careers in the Built Environment through our design challenges.

MOBIE Courses

MSc Advanced Home Futures

The MSc in Advanced Home Futures at Teesside University was launched in September 2018. The second cohort of MOBIE students graduated in 2020.

BSc Advanced Home Futures

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The BSc degree in Innovative Home Design and Construction at Teesside commenced in September 2019 and completed its first year in 2020.

BA Design for Future Livings

The BA degree in Design for Future Living, developed alongside the architecture department at Birmingham City University, commenced in September 2019 and completed its first year in 2020.

MSc in Offsite Housing Construction at University of Wolverhampton

The new MSc in Offsite Housing Construction with Wolverhampton University commenced in January 2020. It places more emphasis on the engineering and technical challenges of Modern Methods of Construction and is attractive to people in industry because of its distance learning method of teaching.

Homes for the Future Innovation Research Centre

The first PhDs under the MOBIE/Northumbria University Homes for the Future Innovation Centre started in October 2019. The intention is to fund up to five PhD research programmes in home design, manufacture and construction each year for three years, with industry providing 30% of the funding and the rest through the University. - <https://www.northumbria.ac.uk/business-services/engage-with-us/mobie/>. The second phase of the PhD programme was launched to North East Industry in September 2020.

Sheffield Hallam University

MOBIE worked with the University to develop a final year project brief for its Architectural Technology students to create a MOBIE HQ/innovation Centre in the city. Two city centre sites on the Sheffield College campuses were selected for the building, each offering different challenges and design opportunities. MOBIE visited the University in October to present its client brief to the students and visited the sites with students and staff. MOBIE attended virtual presentations of the students' designs throughout the project to comment on the emerging work. Following this successful collaboration MOBIE and the University are exploring the potential to host MOBIE courses at the University.

Student satisfaction survey

Five final year students from the University of Gloucestershire Business Studies Course interviewed current and past MOBIE students about their experience on our courses and asked for their feedback on course content, level of support and any desired post-graduation support, as well as their aspirations from studying the courses. The feedback provided helpful pointers on how we can improve our service to students during and after their courses and it will help shape course content and delivery, as well as enabling us to better market the courses in the future. It is intended that the methodology and questionnaire developed by the students will be used for future surveys.

Course Development

BTEC Construction and Built Environment specialist units

Following the development of BTEC Level 3 Diploma specialist units in housing design, offsite and onsite alternative construction methods, renewable energy for housing and the housing industry with Pearson, they launched a 'Built by BTEC' campaign using the MOBIE optional units and George Clarke in the campaign. In addition, we wrote 8 assignment briefs to accompany the 4 MOBIE units. The units are designed to appeal to employers and students who require both 'traditional' construction training and to develop skills in Modern Methods of Construction (MMC) and digital competencies. We mapped the Pearson optional units to the Offsite Ready training modules, to enable colleges to easily access teaching materials to deliver the unit content.

Projects

Offsite Ready

In 2019 MOBIE was part of a successful consortium bid, alongside Construction Scotland Innovation Centre (SCIC), Edinburgh Napier University, City of Glasgow College, Construction Wales Innovation Centre (CWIC) and Class of Your Own for a Construction Industry Training Board (CITB) funded project to deliver train the trainer materials in offsite construction for schools, colleges and universities, Offsite Ready – www.offsiteready.com.

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The project developed materials for industry and academic trainers in offsite construction. MOBIE planned to deliver half-day regional workshops in England to promote the 'Train the Trainers' materials, but due to the Covid-19 pandemic switched to online delivery. This resulted in us reaching a wider audience of college/university tutors than we would have through the planned physical events. We delivered 13 webinars to college, university and industry trainers, including to the British Association of Heads of Construction (BACH) in June 2020. The launch of the training materials took place in April 2020 and was attended virtually by over 160 delegates from 13 different countries, a wider and more geographically dispersed audience than if the launch had been held physically.

Ministerial Young persons' planning reform round table

As part of consultation on its proposed planning reforms, the Government held roundtable meetings with different stakeholder groups. The Ministry of Housing, Communities and Local Government (MHCLG) asked MOBIE to arrange a roundtable with young people. In October, the Housing Minister, Christopher Pincher, met with a group comprising graduates and students from MOBIE courses, finalists in the Home of 2030 competition, and young planners to hear their views on home ownership, affordability, housing and planning.

Design Challenges

Home of 2030 Young Persons' Design Challenge

MOBIE joined a consortium with the Building Research Establishment (BRE), Royal Institute of British Architects Competitions (RIBA) and the Design Council to run a young persons' design competition alongside a professional design competition for the Home of 2030 – www.homeof2030.com.

The challenge ran between November 2019 and March 2020, although the judging was delayed due to the pandemic. The challenge asked young people to create homes to tackle key issues facing our society - climate change, the ageing population, multi-generational living, changing work patterns and lifestyles. The winners were announced by George Clarke during the HOMES UK virtual national conference on 4th December 2020. The delay between the closing date for entries and the finals event allowed us to showcase all the 40 shortlisted entries on the MOBIE and Home of 2030 websites and via social media throughout lockdown and we intend to produce a report to further showcase these amazing designs in 2021.

Wates Primary School design challenge

This challenge, the first exclusively for primary schools, asked young people to create a home of the future and to design it in any way they like – drawing, computers, games, models, Lego, etc. The start of this challenge was delayed until October 2020. Because of the impact on schooling of the pandemic we invited schools to hold the challenges to a timetable that suited each individual school. The judging of the winners will take place in 2021, with the school winners announced virtually. It is hoped that a finals event or showcase can be held physically to announce the overall winner.

Sunderland Riverside Development Design Competition

MOBIE and Sunderland City Council invited young people in the city to design homes to be built on the Riverside Sunderland site. The challenge was launched on 22nd October and runs until May 2021. The launch was a part of Sunderland City Council's week-long programme of activities and events promoting the city's major redevelopment programme and its Expo '23. Thirty Sunderland's schools, and colleges from the Tyne and Wear region registered to attend the event which was hosted by George Clarke.

Plans for future periods

Aims and key objectives for future periods

The primary services delivered by the Ministry of Building Innovation and Education during the reporting period were course development, course content, design challenges and training tools and events for academia and industry. New MOBIE courses started at Teesside, Birmingham City and Wolverhampton Universities.

The Charity has developed a unique education pathway in home design, manufacture and construction from BTEC to PhD. We aim to grow the number of students on existing courses, and the number of institutions offering these courses so that many more students can learn about a new way of creating homes and move onto careers in the built environment, home design and manufacture.

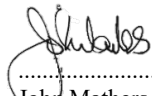
Ministry of Building Innovation

Trustees' Report

The charity will continue to run young peoples' Home Design Challenges for school and college students with partners and we intend to grow the number of young people taking part in challenges and the number of challenges, including through the development of local challenges. The charity will seek grants to deliver our education programme for students in advanced home design and modern methods of construction and design challenges to inspire the next generation of home creators. We will seek partners with allied interests to help fund our activities and bid for contracts to deliver services that are core to our charitable objectives.

The Trustees, as part of their duties, review the Charity's objectives alongside the latest strategies and priorities. They remain satisfied that the objectives are capable of being delivered for the public benefit. The activities undertaken during the reporting period, and planned for the future, are considered to be sufficiently broad and open to fall within the statutory definition of public benefit.

The annual report was approved by the trustees of the charity on 21 September 2021 and signed on its behalf by:


.....
John Mathers
Chairman and Trustee

Ministry of Building Innovation

Statement of Trustees' Responsibilities

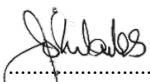
The trustees (who are also the directors of Ministry of Building Innovation for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company 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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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.

Approved by the trustees of the charity on 21 September 2021 and signed on its behalf by:


.....
John Mathers
Chairman and Trustee

Ministry of Building Innovation

Independent Examiner's Report to the trustees of Ministry of Building Innovation

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 11 to 16.

Respective responsibilities of trustees and examiner

As the charity's trustees of Ministry of Building Innovation (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').


Having satisfied myself that the accounts of Ministry of Building Innovation are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Ministry of Building Innovation as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.


.....
Gareth Cooper
ACCA

166 Banks Road
West Kirby
Wirral
Merseyside
CH48 0RH

Date: 27/10/21
.....

Ministry of Building Innovation

Statement of Financial Activities for the Year Ended 31 December 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2020 £
Income and Endowments from:			
Other trading activities	3	156,752	156,752
Total income		156,752	156,752
Expenditure on:			
Charitable activities	4	(180,264)	(180,264)
Total expenditure		(180,264)	(180,264)
Net expenditure		(23,512)	(23,512)
Net movement in funds		(23,512)	(23,512)
Reconciliation of funds			
Total funds brought forward		48,480	48,480
Total funds carried forward	8	24,968	24,968
		Unrestricted funds £	Total 2019 £
	Note		
Income and Endowments from:			
Other trading activities	3	4,846	4,846
Total income		4,846	4,846
Expenditure on:			
Charitable activities	4	(204,121)	(204,121)
Total expenditure		(204,121)	(204,121)
Net expenditure		(199,275)	(199,275)
Net movement in funds		(199,275)	(199,275)
Reconciliation of funds			
Total funds brought forward		247,755	247,755
Total funds carried forward	8	48,480	48,480

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 8.

Ministry of Building Innovation
(Registration number: 10527810)
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Current assets			
Cash at bank and in hand		39,417	65,008
Creditors: Amounts falling due within one year	7	<u>(14,449)</u>	<u>(16,528)</u>
Net assets		<u>24,968</u>	<u>48,480</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>24,968</u>	<u>48,480</u>
Total funds	8	<u>24,968</u>	<u>48,480</u>

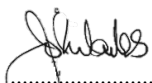
For the financial year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 11 to 16 were approved by the trustees, and authorised for issue on 21 September 2021 and signed on their behalf by:



.....
John Mathers
Chairman and Trustee

Ministry of Building Innovation

Notes to the Financial Statements for the Year Ended 31 December 2020

1 Charity status

The charity is limited by guarantee, incorporated in , and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Lyday House
Oakridge Lynch
Stroud
Gloucestershire
GL6 7NU

These financial statements were authorised for issue by the trustees on 21 September 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

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

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Ministry of Building Innovation

Notes to the Financial Statements for the Year Ended 31 December 2020

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Cash and cash equivalents

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

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Ministry of Building Innovation

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Income from other trading activities

	Unrestricted funds	Total 2020 £	Total 2019 £
	General £		
Other income from other trading activities	156,752	156,752	4,846
	<u>156,752</u>	<u>156,752</u>	<u>4,846</u>

4 Expenditure on charitable activities

		Unrestricted funds	Total 2020 £	Total 2019 £
	Note	General £		
Allocated support costs	5	179,484	179,484	203,341
Governance costs	5	780	780	780
		<u>180,264</u>	<u>180,264</u>	<u>204,121</u>

5 Analysis of governance and support costs

Support costs allocated to charitable activities

	Information technology £	Administration costs £	Total 2020 £	Total 2019 £
Salaries	-	128,501	128,501	135,769
Consultancy fees	-	44,814	44,814	54,576
Travel expenses	-	5,361	5,361	12,031
Insurance	-	353	353	553
IT	455	-	455	328
Sundry	-	-	-	84
	<u>455</u>	<u>179,029</u>	<u>179,484</u>	<u>203,341</u>

Governance costs

	Unrestricted funds	Total 2020 £	Total 2019 £
	General £		
Allocated support costs	780	780	780
	<u>780</u>	<u>780</u>	<u>780</u>

6 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Ministry of Building Innovation

Notes to the Financial Statements for the Year Ended 31 December 2020

7 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	4,465	-
Other creditors	8,136	-
Accruals	1,848	16,528
	<u>14,449</u>	<u>16,528</u>

8 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
General	<u>(48,480)</u>	<u>(156,752)</u>	<u>180,264</u>	<u>(24,968)</u>

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
Unrestricted funds				
General	<u>(247,755)</u>	<u>(4,846)</u>	<u>204,121</u>	<u>(48,480)</u>

9 Analysis of net assets between funds

	Unrestricted funds General £	Total funds £
Current assets	39,417	39,417
Current liabilities	<u>(14,449)</u>	<u>(14,449)</u>
Total net assets	<u>24,968</u>	<u>24,968</u>

	Unrestricted funds General £	Total funds £
Current assets	65,008	65,008
Current liabilities	<u>(16,528)</u>	<u>(16,528)</u>
Total net assets	<u>48,480</u>	<u>48,480</u>