

The Difference

Improving the inclusion, safety and success in school of young people experiencing absence, exclusion or marginalisation.



THE DIFFERENCE EDUCATION LTD

ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

Charity Registration No. 1184843 | Company Registration No. 11426427
(England and Wales)

Trustees' Annual Report for the Year Ended 31 August 2024

The trustees present their report and financial statements for the year ended 31 August 2024.

Administrative Details

Trustees

C Megson
M Bayim-Adomako
J Benamor
C Heald
J Hutchinson
A Salz
D Whitaker
D Xiberras

Key Management Personnel

Kiran Gill
Katharine Booth (resigned 8 December 2023)
Lily Bissett (appointed 21 February 2024)
Jamie Rogers (appointed 3 June 2024)
Shaun Brown (resigned 31 August 2024)
Jenny Graham (resigned 14 February 2025)

Charity Number

1184843

Company Number

11426427

Registered Office

The Difference School House
Morpeth School
Portman Place
London
E2 0PX

Auditor

Godfrey Wilson Limited
Chartered Accountants and Statutory Auditors
5th Floor Mariner House
62 Prince Street
Bristol, BS1 4QD

Purpose and Activities

Our Purpose

The purpose: The Difference improves life-outcomes for our society's most vulnerable children by improving the expertise of those who educate them. We do this by developing school leaders, publishing research and influencing policy makers. By 2030, we want rates of exclusion and absence to be falling nationally and for schools to be better equipped to support all children, including those who may be vulnerable.

The problem: Schooling isn't working for the children who need it most. Every week in England 109 children – equivalent to three full classrooms – are permanently excluded. This is just the tip of the iceberg. Since the pandemic, school suspensions have risen significantly, as has persistent absenteeism. 1 in 5 children are missing more than 10% of their time in school.

Children who are excluded or persistently absent are much more likely to already be experiencing vulnerability or disadvantage. They are more likely to live in poverty, have additional learning needs, suffer mental health challenges, or experience a lack of safety outside school. Certain ethnicities are also disproportionately affected, notably Gypsy Roma Traveller and black Caribbean children.

Exclusion and high rates of absence can have a dramatic effect on life chances. These young people are more likely to drop out of education or employment, become vulnerable to long-term mental ill health, or be at risk of criminal exploitation.

But this isn't the full picture. Children are falling out of learning in an increasing number of ways - school suspensions have been rising, hundreds of thousands of children post-pandemic are excluding themselves through absenteeism, and untold numbers are increasingly struggling to stay in class - absenting themselves in-school or being sent outside the classroom door. And in all these instances, demographic patterns persist - those losing learning are disproportionately experiencing vulnerability and marginalisation.

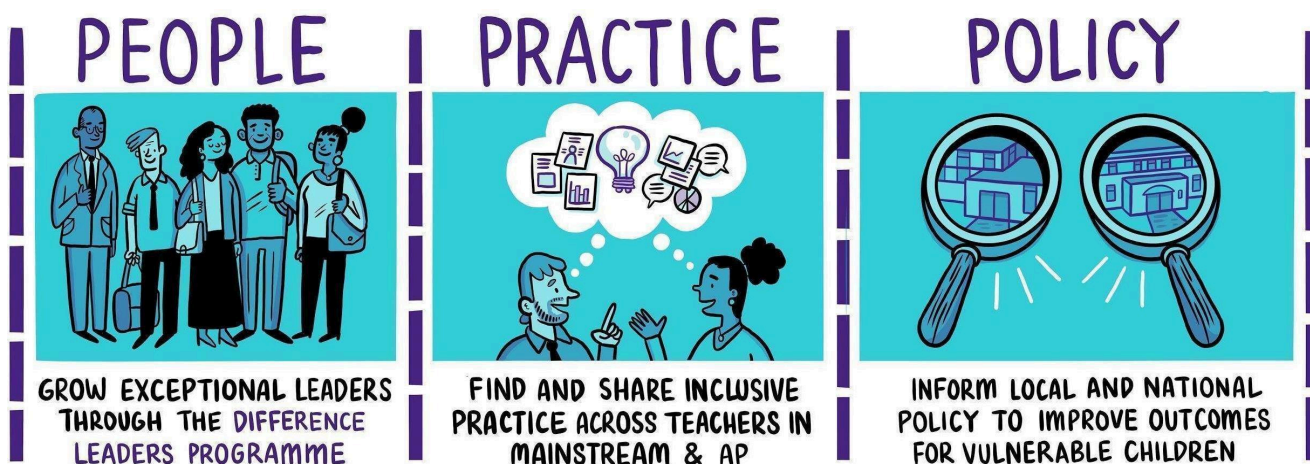
Our work: From 2023-24 The Difference continued to work on finding and growing the **people** who will become tomorrow's inclusive school leaders. Our two-year *Difference Leadership Programme* has developed teachers with the will and skill to lead improved outcomes for vulnerable children, by placing and training them in schools for excluded learners. Our *Inclusive Leadership Course* provides a year of professional development for existing mainstream senior leaders. The Difference has identified best **practice** in Inclusion,

sharing this with both Alternative Provision (AP) and mainstream school leaders, as well as across the whole education sector. We share our research on inclusive **policy** with key stakeholders in education, while highlighting and celebrating leaders and groups of schools who are changing the story on school exclusion. Our research, impact and influencing work is built on the foundation of our programmes work. We are evaluating, sharing and influencing on how whole school inclusion happens and how it improves student outcomes. We have also identified the change needed at a systems level; the 'Who is Losing Learning' campaign has mapped the scale of our problem and identified policy solutions that would support and enable schools to be more inclusive.

Our Activities

2023/24 has seen The Difference's programmes expand, scale, and reach more school leaders and students than ever before. Our work has taken on a truly national focus, as we continue to do what works on our Inclusive Leadership Course (ILC) and our Difference Leadership Programme (DLP), which we are now adapting into our new flagship programme, the Difference Schools Partnership (DSP). We are beginning to capture student voices and experiences alongside school leaders' data, and we are sharing best practice across the country. We have formed the Who Is Losing Learning? Coalition in partnership with Impetus, Mission 44, and the Institute for Public Policy Research to drive lasting policy change on lost learning.

Thanks to all of our supporters and donors for the support and partnership you have given The Difference this year, our successes would not have been possible without you.



People: school leadership programmes & courses

- **Leadership Development and Specialist Teacher Training:** Training provides intensive skills development for Difference Leaders during two years in AP and mainstream schools. We monitor their progression and impact, adding to the evidence for what works in reducing school exclusion.
- **Mainstream partnership via the Inclusive Leadership Course:** The Difference delivers the Inclusive Leadership Course - a year-long professional development offer for mainstream Headteachers, Deputy Heads and Assistant Heads keen to improve Inclusion in their schools. Leaders learn about key relational practices and complete accompanying assignments to support them to lead whole-school change.
- **Programme redesign** - gathering the learning from the Difference Leaders programme and designing courses for the future.

Practice: practice research and practice sharing

- **Programme evaluation work** looks at the changes via our programmes in both leaders' skills and confidence and in schools' policies and practices. It has begun to measure student outcomes and is seeking to understand when, why and how our programmes positively influence lost learning and student wellbeing.
- **Our research has focused on Internal Alternative Provision** - both in contract work and in our own research on what good looks like. Our research has worked in partnership with our internal alternative provision network and our findings will be finalised in workshops with these partners.

- **IncludEd Conference:** The Difference runs an annual Conference, bringing together researchers, policymakers and teachers to share the school practice and systems which improve vulnerable children's life outcomes. In January 2024 over 600 people came to hear shared practice.
- **Community-building cross-sector:** To disseminate our research, The Difference presents at education conferences, delivers online training, speaks on podcasts, and publishes in sector press media, to reach thousands of teachers.

Policy: Media, Policy Events and New Policy Research

- **Who is Losing Learning?:** The Difference is working in collaboration with IPPR, Impetus and Mission 44 to raise awareness of the scale of lost learning and create consensus within the sector and policy makers on the solutions to the challenge via a series of reports.
- **Media:** The Difference keeps exclusions in the spotlight, supporting journalists to ensure national coverage of school exclusion and is working to increase salience of 'lost learning' framing.
- **New Policy Research:** We conduct original research on practice, systems and outcomes across and beyond our partner schools.
- **Informing Policymakers:** Our work involves organising roundtables, presenting research to politicians and contributing to research projects with think tanks and academics, sharing the frontline realities of policies affecting vulnerable children.

Public Benefit

All of The Difference's activities are undertaken to further our charitable purpose, which is to advance education for the public benefit. More specifically, the charity is working to improve the inclusion, safety and success in school of young people experiencing absence, exclusion or marginalisation, by raising the status and expertise of those who educate them. The charity believes that improved outcomes for the most vulnerable benefit society as a whole, and that education plays an important role in bringing about this change. The trustees have a duty to consider public benefit guidance published by the Charity Commission. We are satisfied that the purpose and activities of the charity continue to satisfy the requirements of the public benefit test set out in section 17 of the Charities Act 2011. We have demonstrated how we have worked towards our charitable purposes, by setting out our achievements during the year in this Trustees' Report.

Achievements and Performance

This annual report covers the financial year 2023/24 in terms of activities, achievements, financial review, risks and uncertainties, structure, governance and management.

People 2023/24

Since 2019, The Difference has developed **People** through two unique programmes:

The **Difference Leadership Programme** for school leaders who aspire to be tomorrow's inclusive headteachers. Participants work as a senior leader in Alternative Provision (schools or units that serve excluded children) for two years. They receive 290 hours of professional development from The Difference, supporting them to become expert practitioners in school inclusion.

In our first year, we:

- partnered with 9 schools
- trained 10 school leaders
- reached 826 students

In 2023/24, we:

- partnered with 17 schools
- trained 18 school leaders
- reached 8284 students

The **Inclusive Leadership Course** targeted at existing senior leaders in mainstream, ranging from Executive Headteachers to Special Education Needs Co-ordinators (SENCOs). It combines six intensive training days with practical assignments. Participants engage with new thinking and inclusive solutions to tackle common challenges such as students wellbeing, persistent absenteeism, and repeat exclusion.

In our first year, we:

- partnered with 11 schools
- trained 12 school leaders
- reached 13,510 students

In 2023/24, we:

- partnered with 105 schools
- trained 126 school leaders
- reached 80 163 students

90% of the 2023 graduates from the Difference Leadership programme have had an evidenced positive impact on their school, according to their headteachers. This includes improvements to curriculum, behaviour, mainstream reintegration, and attendance. 86% have progressed to more senior leadership roles since they started the programme two years ago.

80% of participants on this year's Inclusive Leadership Course reported that staff had an increased ability to de-escalate behaviour incidents in their school as a result of our training, 75% report improved outcomes for students and 91% would recommend ILC to friends or colleagues.

Where is The Difference going now?

As The Difference moves into its next phase, the focus is shifting from individual leadership development to whole-school transformation. Rather than measuring success through career progression, the organisation will now prioritise tracking pupil outcomes—ensuring that lost learning is reduced and inclusion is embedded across entire school communities. This means refining and expanding the **Inclusive Leadership Course (ILC)** into a **multi-year school partnership model** by September 2025 - where leadership buy-in is secured from the outset, multiple staff members align on inclusive practices, and structured interventions are introduced to improve attendance, behaviour, and reintegration. By creating **'beacon schools'**, The Difference aims to establish national best practices, using data from student experience surveys and the **exclusions continuum** to measure real impact over time.

In parallel, The Difference will amplify its **policy and sector influence**, advocating for a clearer national definition of whole-school inclusion and driving change in how lost learning is measured at system level. Partnerships with **Multi-Academy Trusts (MATs), Local Authorities (LAs), and school networks** will play a critical role in embedding these approaches, ensuring they become sector-wide standards rather than isolated best practices. The Difference's programmes will continue to challenge the status quo—demonstrating that inclusion is not only **measurable** but also essential for the success of every school.

Practice 2023/24

The Difference identifies effective inclusion practice by tracking interventions that improve outcomes. We investigate impact within our own programmes and partner with other organisations to research practice more widely.

In 2023/24 we expanded our practice sharing, with 600 attendees at IncludED 2024 and over 4,700 people reached through 4 Bullet Friday.

We launched our Safety and Wellbeing Survey, engaging over 8,500 students from 30 ILC schools, including primary, secondary, and AP/special schools. Each school received a tailored dashboard of anonymised findings, designed to provide leaders with a helpful snapshot to inform and tailor their inclusion plans.

Where is The Difference going now?

We'll focus on research and practice sharing in a specific area each academic year. These will be internal alternative provision, supporting attendance through asset based work and reducing harmful and abusive behaviour. This practice-based research will support the development of our programmes as well as be published for the sector.

Policy 2023/24

With a general election held in July 2024 and many challenges in education reaching crisis levels, The Difference's policy work has taken on new urgency.

Influencing in Partnership

September 2023 saw the launch of the **Who's Losing Learning Coalition** by founding partners, The Difference, Impetus, and the Institute for Public Policy Research, all bringing a range and depth of experience across the education sector. We published our first report on the scale of lost learning in September 2024 and launched the Solutions Council to develop answers to the crisis of lost learning. The Secretary of State for Education, Bridget Phillipson, attended the first meeting of the council in September 2024. The next report, outlining our recommendations, will be published in Spring 2025.

The Coalition aims to reveal the extent to which children are currently missing out on learning, join the dots between different types of exclusion, and champion the cause of the most vulnerable learners who are disproportionately affected. There's been a 30% increase in suspensions post-pandemic and our analysis shows this rise has largely affected children living in poverty or who have special educational needs (respectively 3.7 times and 4 times as likely to be suspended as their peers). Racial inequity also persists. Dual heritage white and Black Caribbean children are suspended at nearly double the rate of white peers, while Gypsy Roma Traveller children are sent home 3.2 times as much.

The Who's Losing Learning Coalition is already raising the alarm about lost learning as a social justice issue, securing press coverage in The Guardian, Sky, ITV, and Schools Week.

Where is The Difference going now?

The Who is Losing Learning? Coalition will publish its second report in Spring 2025, outlining how schools, trusts, local authorities and national government can tackle the crisis of lost learning in England.

We will work with change-makers to see take-up of our recommendations, leading to changes in system incentives for schools, more resources for inclusion, and greater skills and knowledge on how to support some of the country's most vulnerable children.

Working with a new policy and campaign function, headed up by Head of the Who is Losing Learning? Campaign, Ellie Harris, and supported by Cristin O'Brien and Kit Rooney, the team will deliver an ambitious influencing strategy aimed at seeing lost learning fall by 2030. The team draws on personal, practical and policy experience, including experience in the civil service at Ofsted and The Department for Education, as well as Cristin's direct social work with the Irish Traveller communities (one of the most excluded demographics).

Financial Review

Financial position

We achieved a financial deficit of £0.37m in 2023/24 (£0.2m surplus in 2022/23). Our income decreased (£1.3m down from £1.5m in 2022/23) while our expenditure rose (£1.7m up from £1.3m in 2022/23), as The Difference made strategic decisions to invest reserves in the creation of our second significant function: a research, impact and influence team to spread learnings from our programmes with schools nationally, as well as building our first fundraising team.

Income

Our total income through the academic year 2023/24 was £1.3m (down from £1.5m in 2022/23).

The Difference's primary source of funding is from philanthropy, with the majority of our income coming from trusts and foundations and a small but growing group of individual donors and corporate foundations. This year voluntary income made up 75% of overall income. Thank you to all our donors who made our work possible this year.

Our 2021-2025 strategy has included ambition to grow traded revenue to The Difference including school contributions to our programmes, speaking events, and research contract work which now make up a growing proportion of our income. The proportion of The Difference's income from school contributions has risen over the years from 17% in 2022/2023 to 25% in 2023/24.

The Difference does not use any external professional or commercial fundraisers - all fundraising activities are conducted by our own employees. The Difference is not currently subscribed to any schemes for fundraising regulation and does not do any kind of community, events or digital fundraising. The entirety of our fundraising activity is conducted with grant-making organisations, meaning we do not have any interaction with potentially vulnerable members of the public. The Difference has never received any complaints about fundraising activities which we've undertaken.

Expenditure

The Difference's total expenditure through the academic year 2023/24 was £1.7m (up from £1.3m in 2022/23).

As outlined in the Achievements section of this report, expenditure has been on activities recruiting and developing school leaders and delivering building new Influencing and

Fundraising teams. In this academic year, we expanded our second team (Research, Impact & Influence) to launch the 'Who's Losing Learning?' Coalition and deliver further research into elements of practice like Internal Alternative Provision. There has also been expenditure on the central team, as we built The Difference's first fundraising team, hiring a Head of Fundraising as well as a Trusts & Foundations Manager, and prepared for a period of strategy development starting in 2023/24 to create our next five-year plan.

As with many other charities, inflation has been a driver in rising costs year-on-year at The Difference.

Reserves policy

Our unrestricted (or 'free') reserves are the net current assets of our general unrestricted funds.

We hold these funds to:

- provide working capital to finance our day-to-day operations
- provide a safeguard against failure to deliver against contractual obligations we have entered into
- protect our solvency in the event of any curtailment in our income-generating activities

It is the Difference's policy that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three to six months' budgeted operating costs, where possible (currently between £442k and £884k). The trustees consider that reserves at this level would ensure that, in the event of a significant change in funding, The Difference is able to meet its obligations to programme participants, partner organisations and staff, whilst giving consideration to ways in which additional or alternative funds may be raised.

On 31st August 2024, total funds were £1.2m, of which £86k were restricted and £650k were designated, leaving free reserves of £415k, falling just short of the target level of free reserves.

Going concern

Trustees and the senior management team review spending and revenue, and re-forecast accordingly, on a quarterly basis. Current forecast cash flow shows that The Difference has adequate free cash to meet its obligations as they fall due.

Trustees are content that The Difference has adequate resources to fund its activities for the foreseeable future. The trustees therefore believe that the charity is a going concern, and so have prepared the accounts and financial statements on this basis.

Risks & uncertainties

Effective risk management is critical to ensuring that The Difference achieves its mission for the improved life-outcomes of vulnerable children. All our employees are encouraged and supported to identify and manage key risks within their work, and to communicate and escalate these appropriately. Through this, responsibility for risk is distributed across the charity.

We manage our risks in line with our risk-management policy, which includes the collation and monitoring of key organisational risks within a risk register. The Executive Team has responsibility and accountability for the risk register. The Board of Trustees maintains overall accountability by reviewing risks escalated from the Executive on a quarterly basis.

The key risks which will be managed in the year ahead, 2024/25 are:

- **A challenging fundraising environment, with the tightening of funding opportunities, as many funders are scaling back or closing their programs. Additionally, with grant sizes shrinking, we may face difficulty in securing the necessary resources to support our programmes and influencing work.**

Mitigations: The Difference has built out a new fundraising team in Summer 2024 to deliver this function, consisting of a full-time Head of Fundraising and a Trusts & Foundations Manager. They will deliver a new fundraising strategy for the next 5 years of The Difference, which will focus on diversification in funding to ensure stability and growth.

- **Reduced budgets in schools make it harder to grow our programmes which can be filled by senior leaders from mainstream schools, reducing scope to scale The Difference's programmes.**

Mitigations: The Difference has been evolving its Difference Leaders programme to the Difference Schools Partnership, with a focus on partnering with Multi-Academy Trusts and Local Authorities. This will enable us to have greater levels of impact across groups of schools, working with those that have the budget and appetite to engage our programmes. The Difference is looking to its 2025-2030 Strategy to continue to evolve programme delivery for the highest impact return on investment.

Structure, governance & management

Constitution and governing documents

The Difference Education Ltd is governed by its Memorandum of Association and Articles of Association.

The Difference Education Ltd is a charitable company, limited by guarantee and not having a share capital. The Difference operates within England and Wales capital (Charity number: 1184843; Company number: 11426427). The Difference Education Ltd gained charitable status from the Charity Commission in 2019.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

Directors and Trustees

The Board of Trustees meets regularly to govern the charity. During the period of reporting, it held four meetings. At its meetings in 2023/24, the Trustee Board agreed the budget for 2024/25; advised and approved the re-structure of the Operations directorate; agreed on embarking on process of post-pilot programme washup and future strategy design; managed and mitigated ongoing risk; and approved delegation to and growth of The Difference's staff team.

Organisational Structure and Key Personnel

The appointment or election of Trustees is as determined by the Board of Trustees. The Trustees have overall responsibility for the charity, but the day-to-day running of the charity is delegated to the Chief Executive Officer, Kiran Gill, and her staff.

The Trustees are responsible for:

- Overseeing the work of the Chief Executive;
- Approving plans to scale the charity;
- Agreeing the strategy for the development and growth of The Difference;
- Ensuring that The Difference meets its legal responsibilities;
- Ensuring The Difference improves the life outcomes of the most vulnerable children through their work and practice; and
- Ensuring sound financial management of The Difference.

Induction and Training policy for new Trustees

New Trustees meet with the Chief Executive and Chair to discuss their role and responsibilities. This gives an opportunity to answer any questions raised by the new Trustee and to clarify the content of any written documentation circulated to the new Trustee. Opportunities for training of the Trustees are presented to them, as well as pre-existing documents on The Difference's strategy, impact, and previous decisions. The Chief Executive ensures Trustees are kept up to date with developments in Charity and company law. This is achieved through briefings at Board meetings and, as appropriate, circulated written information.

Executive Pay Policy

The Trustees consider the CEO and Directors to represent the Executive Team of The Difference.

Changes to salaries take place after their Performance Management Reviews on an annual basis. These are determined by the Chair of Trustees in coordination with other trustees. Such changes may take place on the back of an evolution of role corresponding to increased responsibility. The Difference has a pay policy which states that salary increases are only granted the basis of changed responsibilities only (ie. no performance related pay). These salaries are regularly benchmarked against other similar organisations in our sector.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

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

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

Auditors

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

The trustees' report was approved by the Board of Trustees.

Christine Megson

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C Megson

Chair of Trustees

Dated: 4 March 2025

Independent auditors' report

To the members of

The Difference Education Ltd

Opinion

We have audited the financial statements of The Difference Education Ltd (the 'charity') for the year ended 31 August 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 6 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Independent auditors' report

To the members of

The Difference Education Ltd

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of the trustees

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

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

Independent auditors' report

To the members of

The Difference Education Ltd

Our responsibilities for the audit of the financial statements

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

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

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Independent auditors' report

To the members of

The Difference Education Ltd

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

Use of our report

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

William Guy Blake

Date: 4 March 2025

William Guy Blake ACA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

The Difference Education Ltd

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

For the year ended 31 August 2024

	Note	Restricted £	Unrestricted £	2024 Total £	2023 Total £
Income from:					
Donations	3	497,248	504,100	1,001,348	1,255,506
Charitable activities	4	-	325,712	325,712	250,199
Investments		-	15,851	15,851	-
Total income		<u>497,248</u>	<u>845,663</u>	<u>1,342,911</u>	<u>1,505,705</u>
Expenditure on:					
Raising funds		-	170,950	170,950	112,705
Charitable activities		<u>657,521</u>	<u>882,091</u>	<u>1,539,612</u>	<u>1,187,700</u>
Total expenditure	5	<u>657,521</u>	<u>1,053,041</u>	<u>1,710,562</u>	<u>1,300,405</u>
Net income / (expenditure) and net movement in funds	6	(160,273)	(207,378)	(367,651)	205,300
Reconciliation of funds:					
Total funds brought forward		<u>245,958</u>	<u>1,272,622</u>	<u>1,518,580</u>	<u>1,313,280</u>
Total funds carried forward		<u><u>85,685</u></u>	<u><u>1,065,244</u></u>	<u><u>1,150,929</u></u>	<u><u>1,518,580</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 14 to the accounts.

The Difference Education Ltd

Balance sheet

As at 31 August 2024

	Note	£	2024 £	2023 £
Fixed assets				
Investments	9		33,241	-
Current assets				
Investments	9	765,000		-
Debtors	10	135,345		68,371
Cash at bank and in hand		364,980		1,557,312
		1,265,325		1,625,683
Liabilities				
Creditors: amounts falling due within 1 year	11	(147,637)		(107,103)
Net current assets			1,117,688	1,518,580
Net assets	13		1,150,929	1,518,580
Funds	14			
Restricted funds			85,685	245,958
Unrestricted funds				
Designated funds			650,000	699,343
General funds			415,244	573,279
Total charity funds			1,150,929	1,518,580

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

Approved by the trustees on 4 March 2025 and signed on their behalf by

Christine Megson

C Megson, Chair of Trustees

The Difference Education Ltd

Statement of cash flows

For the year ended 31 August 2024

	2024 £	2023 £
Cash used in operating activities:		
Net movement in funds	(367,651)	205,300
Adjustments for:		
Dividends, interest and rents from investments	(15,851)	-
Increase in debtors	(66,974)	(2,436)
Increase / (decrease) in creditors	<u>40,534</u>	<u>(28,632)</u>
Net cash (used in) / provided by operating activities	<u>(409,942)</u>	<u>174,232</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	15,851	-
Cash invested in fixed-term deposits held for more than 1 year	<u>(33,241)</u>	<u>-</u>
Net cash provided by investing activities	<u>(17,390)</u>	<u>-</u>
(Decrease) / increase in cash and cash equivalents in the year	(427,332)	174,232
Cash and cash equivalents at the beginning of the year	<u>1,557,312</u>	<u>1,383,080</u>
Cash and cash equivalents at the end of the year	<u>1,129,980</u>	<u>1,557,312</u>
Analysis of cash and cash equivalents		
Cash held in current asset investments	765,000	-
Cash at bank and in hand	<u>364,980</u>	<u>1,557,312</u>
	<u>1,129,980</u>	<u>1,557,312</u>

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

The Difference Education Ltd

Notes to the financial statements

For the year ended 31 August 2024

1. Accounting policies

a) General information and basis of preparation

The Difference Education Ltd is a charitable company limited by guarantee registered in England and Wales. The registered office address is The Difference School House, Portman Place, London, England, E2 0PX.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Difference Education Ltd 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 note.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Income from the supply of services is recognised with the delivery of the service.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

d) Donated services and facilities

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. In accordance with the Charities SORP (FRS 102), no amounts are included for the contribution of general volunteers.

The Difference Education Ltd

Notes to the financial statements

For the year ended 31 August 2024

1. Accounting policies (continued)

e) Interest receivable

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

f) Funds accounting

Unrestricted general funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for a particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

g) Expenditure and irrecoverable VAT

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs, including overhead support costs, are allocated to expenditure categories reflecting the use of the resource. Staff costs are allocated between charitable activities, fundraising and support based upon the proportion of time spent on each activity.

h) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on the proportion of staff cost as follows:

	2024	2023
Raising funds	9.6%	10.3%
Charitable activities	90.4%	89.7%

1. Accounting policies (continued)

i) Debtors

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

j) Non-current asset investments

Non-current asset investments consist of cash held on deposit in interest bearing accounts with a term not less than 1 year. Such investments are held at fair value.

k) Current asset investments

Current asset investments consist of cash held on deposit in interest bearing accounts with a term not more than 1 year. Such investments are held at fair value.

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

m) Creditors

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

n) Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

o) Pension costs

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

The Difference Education Ltd

Notes to the financial statements

For the year ended 31 August 2024

1. Accounting policies (continued)

p) Accounting estimates and key judgements

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

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

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

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2023 Total £
Income from:			
Donations	429,765	825,741	1,255,506
Charitable activities	-	250,199	250,199
Total income	429,765	1,075,940	1,505,705
Expenditure on:			
Raising funds	-	112,705	112,705
Charitable activities	423,484	764,216	1,187,700
Total expenditure	423,484	876,921	1,300,405
Net income / (expenditure) and net movement in funds	6,281	199,019	205,300

3. Income from donations

	Restricted £	Unrestricted £	2024 Total £
Donations	-	58,500	58,500
Trusts and foundations	497,248	445,600	942,848
Total income from donations	497,248	504,100	1,001,348

The Difference Education Ltd

Notes to the financial statements

For the year ended 31 August 2024

3. Income from donations (continued)

Prior period comparative:

	Restricted £	Unrestricted £	2023 Total £
Donations	-	3,000	3,000
Trusts and foundations	429,765	822,741	1,252,506
Total income from donations	429,765	825,741	1,255,506

4. Income from charitable activities

	Restricted £	Unrestricted £	2024 Total £	2023 Total £
Inclusive Leadership Course	-	245,478	245,478	175,525
The Difference Leadership Programme	-	70,439	70,439	30,000
Consultancy and research	-	9,795	9,795	29,446
Other	-	-	-	15,228
Total income from charitable activities	-	325,712	325,712	250,199

All income from charitable activities in the prior year was unrestricted.

The Difference Education Ltd

Notes to the financial statements

For the year ended 31 August 2024

5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2024 Total £
Staff costs (note 7)	81,324	770,018	268,734	1,120,076
Freelance staff costs	39,982	9,469	84,809	134,260
Programme delivery costs - School Partnerships and ILC	-	190,345	-	190,345
Research, Impact and Influencing	-	89,592	-	89,592
Office and equipment	-	-	88,534	88,534
Fundraising	427	-	-	427
Recruitment	-	-	34,617	34,617
Staff support	-	-	16,256	16,256
Back office costs	-	-	17,427	17,427
Other operating expenses	-	-	445	445
Travel expenses	-	16,725	1,858	18,583
Sub-total	121,733	1,076,149	512,680	1,710,562
Allocation of support and governance costs	<u>49,217</u>	<u>463,463</u>	<u>(512,680)</u>	<u>-</u>
Total expenditure	<u>170,950</u>	<u>1,539,612</u>	<u>-</u>	<u>1,710,562</u>

Total governance costs were £11,131 (2023: £9,209).

Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2023 Total £
Staff costs (note 7)	73,930	645,974	183,367	903,271
Freelance staff costs	-	-	4,143	4,143
Programme delivery costs - DLP and ILC	-	164,169	-	164,169
Research, Impact and Influencing	-	49,786	-	49,786
Office and equipment	-	-	57,435	57,435
Fundraising	1,138	-	-	1,138
Recruitment	-	-	54,639	54,639
Staff support	-	-	8,985	8,985
Back office costs	-	-	36,711	36,711
Other operating expenses	-	-	4,261	4,261
Travel expenses	-	-	15,867	15,867
Sub-total	75,068	859,929	365,408	1,300,405
Allocation of support and governance costs	<u>37,637</u>	<u>327,771</u>	<u>(365,408)</u>	<u>-</u>
Total expenditure	<u>112,705</u>	<u>1,187,700</u>	<u>-</u>	<u>1,300,405</u>

The Difference Education Ltd

Notes to the financial statements

For the year ended 31 August 2024

6. Net movement in funds

This is stated after charging / (crediting):

	2024 £	2023 £
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	257	376
Trustee aggregate unrestricted donations	(2,000)	(1,000)
Operating lease payments	18,660	18,660
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	7,600	7,200
▪ Other services	-	350

During the year 3 trustees (2023: 3) were reimbursed for travel and subsistence expenses.

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements, and submission of corporation tax returns to the tax authorities.

7. Staff costs and numbers

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	958,831	776,724
Social security costs	105,763	80,411
Pension costs	55,482	46,136
	<u>1,120,076</u>	<u>903,271</u>

The key management personnel of the charitable company comprise the Trustees, the Chief Executive Officer, the Programme Director, the Director of People, Finance & Operations (2024 only), the Managing Director (2023 only), the Director of Research, Impact & Influencing, and the Director of Operations & Strategy.

The total employee benefits of the key management personnel were £369,142 (2023: £285,323).

The Difference Education Ltd

Notes to the financial statements

For the year ended 31 August 2024

7. Staff costs and numbers (continued)

	2024	2023
	No.	No.
Average head count	19.30	16.10

The number of employees whose remuneration for the year was greater than £60,000 was:

	2024	2023
	No.	No.
£60,000 to £69,999	1	2
£70,000 to £79,999	2	1

8. Taxation

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

9. Fixed and current asset investments

	2024	2023
	£	£
The charity holds investments comprising:		
Fixed-term deposits held for more than 1 year	33,241	-
Notice and fixed-term deposits held for up to 1 year	765,000	-
	798,241	-

10. Debtors

	2024	2023
	£	£
Trade debtors	127,807	31,508
Prepayments and accrued income	7,538	36,863
	135,345	68,371

The Difference Education Ltd

Notes to the financial statements

For the year ended 31 August 2024

11. Creditors : amounts due within 1 year

	2024	2023
	£	£
Trade creditors	221	15,872
Accruals	35,931	39,202
Other taxation and social security	1,885	30,228
Deferred income (see note 12)	109,600	21,801
	147,637	107,103

12. Deferred income

	2024	2023
	£	£
At 1 September 2023	21,801	81,000
Deferred during the year	109,600	21,801
Released during the year	(21,801)	(81,000)
At 31 August 2024	109,600	21,801

Deferred income relates to fees received for the Inclusive Leadership Courses, and the Difference Schools Partnership fees.

13. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Fixed assets	-	-	33,241	33,241
Current assets	85,685	650,000	529,640	1,265,325
Current liabilities	-	-	(147,637)	(147,637)
Net assets at 31 August 2024	85,685	650,000	415,244	1,150,929

Prior period comparative

	Restricted funds £	Designated funds £	General funds £	Total funds £
Current assets	247,568	699,343	678,772	1,625,683
Current liabilities	(1,610)	-	(105,493)	(107,103)
Net assets at 31 August 2023	245,958	699,343	573,279	1,518,580

The Difference Education Ltd

Notes to the financial statements

For the year ended 31 August 2024

14. Movements in funds

	At 1 September 2023 £	Income £	Expenditure £	Transfers between funds £	At 31 August 2024 £
Restricted funds					
A & O Shearman	-	20,000	(20,000)	-	-
Anonymous Donor	-	10,000	(10,000)	-	-
Bridges Impact Foundation	30,165	30,000	(60,165)	-	-
Esmee Fairbairn	-	60,000	(60,000)	-	-
Fidelity UK Foundation	72,800	-	(55,517)	-	17,283
Garfield Weston	42,466	75,000	(49,191)	-	68,275
Impetus	-	50,000	(50,000)	-	-
Kusuma	-	25,000	(24,873)	-	127
Mission 44	-	152,775	(152,775)	-	-
Reconnect London	25,527	(25,527)	-	-	-
Wates Family Enterprise Trust	75,000	100,000	(175,000)	-	-
Total restricted funds	245,958	497,248	(657,521)	-	85,685
Unrestricted funds					
<i>Designated funds:</i>					
Programme Delivery	699,343	-	-	(49,343)	650,000
<i>Total designated funds</i>	699,343	-	-	(49,343)	650,000
General funds	573,279	845,663	(1,053,041)	49,343	415,244
Total unrestricted funds	1,272,622	845,663	(1,053,041)	-	1,065,244
Total funds	1,518,580	1,342,911	(1,710,562)	-	1,150,929

Purposes of restricted funds

A & O Shearman

Funding for delivering the Who's Losing Learning? Coalition.

Anonymous Donor

Funding for delivering the annual IncludEd conference.

Bridges Impact Foundation

The Bridges Impact Foundation grant was offered to fund the expansion of The Difference Leadership Programme, as well as the charity's strategy and impact measurement work.

Esmee Fairbairn

Funding for delivering the Who's Losing Learning? Coalition.

The Difference Education Ltd

Notes to the financial statements

For the year ended 31 August 2024

14. Movements in funds (continued)

Purposes of restricted funds (continued)

Fidelity UK Foundation

The Fidelity UK Foundation grant was offered to fund the development of a new CRM system and scaling the Inclusive Leadership Course.

Garfield Weston

Funding for delivering The Difference Leadership Programme.

Impetus

Funding for delivering the Who's Losing Learning? Coalition.

Kusuma

Funding for delivering the Who's Losing Learning? Coalition.

Mission 44

Funding for delivering The Difference Leadership Programme.

Reconnect London

The Reconnect London fund is monies received from two Trusts towards the costs of a teachers' COVID response project. Negative income represents funds returned to funder following the conclusion of activities carried out for this purpose.

Wates Family Enterprise Trust

The Wates Family Enterprise Trust grant was funding for work that will support The Difference in implementing a new 5 year strategy.

Purposes of designated funds

Programme delivery

The programme delivery fund holds funds for the delivery of The Difference Leadership Programme. This is equivalent to the costs associated with delivery of The Difference Leadership Programme for the cohorts currently on the programme.

The Difference Education Ltd

Notes to the financial statements

For the year ended 31 August 2024

14. Movements in funds (continued)

Prior period comparative	At 1 September 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 August 2023 £
Restricted funds					
Bridges Impact Foundation	-	40,000	(9,835)	-	30,165
Fidelity UK Foundation	76,650	94,375	(98,225)	-	72,800
Garfield Weston	62,500	75,000	(95,034)	-	42,466
Mission 44	-	120,390	(120,390)	-	-
Reconnect London	25,527	-	-	-	25,527
Wates Family Enterprise Trust	75,000	100,000	(100,000)	-	75,000
Total restricted funds	<u>239,677</u>	<u>429,765</u>	<u>(423,484)</u>	<u>-</u>	<u>245,958</u>
Unrestricted funds					
<i>Designated funds:</i>					
Programme delivery	<u>777,153</u>	<u>-</u>	<u>(77,810)</u>	<u>-</u>	<u>699,343</u>
<i>Total designated funds</i>	<u>777,153</u>	<u>-</u>	<u>(77,810)</u>	<u>-</u>	<u>699,343</u>
General funds	<u>296,450</u>	<u>1,075,940</u>	<u>(799,111)</u>	<u>-</u>	<u>573,279</u>
Total unrestricted funds	<u>1,073,603</u>	<u>1,075,940</u>	<u>(876,921)</u>	<u>-</u>	<u>1,272,622</u>
Total funds	<u>1,313,280</u>	<u>1,505,705</u>	<u>(1,300,405)</u>	<u>-</u>	<u>1,518,580</u>

15. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	2024 £	2023 £
Amount falling due:		
Within 1 year	<u>6,220</u>	<u>6,220</u>
	<u>6,220</u>	<u>6,220</u>

16. Related party transactions

There were no related party transactions in the current or prior period other than trustee donations as disclosed in note 6.