

Network for Social Change Charitable Trust
(a company limited by guarantee)

Annual Report
Year ended 31 August 2021

Registered charity number 295237

Company Registered Number 2037412

Network for Social Change Charitable Trust

Annual Report

Year ended 31 August 2021

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Network for Social Change Charitable Trust

Report of the Trustees for the Purposes of Section 162 of the Charities Act 2011 and Directors' Report for the Purposes of Section 417 of the Companies Act 2006

Year ended 31 August 2021

The Trustees present their report on the activities of the Network for Social Change Charitable Trust (NSCCT), together with the financial statements for the year ended 31 August 2021.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Objectives and Activities

General objectives

The objectives of NSCCT are to distribute funds raised through its members in furtherance or advancement or for the benefit of those charities, charitable institutions or charitable purposes that the Trustees of the company shall in their absolute discretion select and think fit.

Public benefit

The charity continues to make grants to charities, organisations with charitable objectives and charitable purposes. The Trustees confirm that they have taken into account the Charity Commission's general guidance on public benefit and the Charity Commission's updated guidance on Trustees' responsibilities when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Main objectives for the year

Specific objectives for the year were to continue to support the long-term Major Projects (running over several years); to make annual awards for new projects proposed by the six topic-based Pools; (Arts & Education for Change, Economic Justice, Green Planet, Health & Wellbeing, Human Rights, and Peace) and to make smaller awards for Fast Track funding projects proposed by individual members.

Strategies for achieving NSCCT's stated objectives

Most funds are raised at the NSCCT's conferences in February and September / October each year, which are attended by about 60 of NSCCT's 113 members, although members not attending the conference also contribute to the funds that are raised. NSCCT's strategy is based on the involvement, participation, and generosity of its members, centred around these conferences.

Some further funds are raised twice a year for Fast Track funding projects through an online pledging process.

Significant activities that contribute to the achievement of the stated objectives

The biannual conferences mentioned above provide information for members about the projects, and promote trust between members, allowing them to speak frankly about themselves and their individual funding objectives, and to collaborate successfully on NSCCT's funding objectives. NSCCT members also organise training sessions relevant to the work of the organisation.

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Grant-making policies

NSCCT aims to fund organisations both in the UK and overseas which are likely to effect beneficial social change through research, public education, innovative services and other legal and charitable activities. NSCCT supports organisations which promote human rights and dignity, further the development of civil society, husband the earth's resources and promote peace and non-violence.

All projects in the annual Pools cycle are introduced and assessed by members themselves. These grants are paid annually in April / May; the following January the organisations are asked to report back to NSCCT on the use they have made of the grants including any challenges encountered and lessons learned. These reports are reviewed, summarised and circulated to members. The reports on projects sponsored in 2019/20 were circulated to members in the summer of 2021 and are the latest available to them.

Funds for grants to Major Projects are raised each September/October, and paid thereafter, usually on a scheduled basis. The projects will have undergone a detailed preliminary assessment prior to formal adoption as a multi-year Major Project and will present an annual progress report. Major Projects are normally adopted for a three-year period, with the possibility of extension for a further three years. Continuation into a second three-year period requires a detailed evaluation report which has provision for the appointment of an external assessor.

Organisations funded under the Fast Track funding system are asked to report back six months after receipt of the grant. The reports are circulated to members of NSCCT who donated to the project.

Achievements and performance

The principal achievement in this year has been the continued grant-making to a range of charitable projects, in the UK and elsewhere. This has been achieved despite challenging circumstances due to the ongoing Covid-19 pandemic, resulting in the need to conduct almost all Network business including our bi-annual conferences, project assessments, training, social and funding activities remotely using online technologies such as Zoom.

Our first virtual conference held in September 2020 was a remarkable success and was attended by the same number of people that we would normally expect to attend an in-person conference. Our second virtual conference, in February 2021, titled "The Art of Social Change" built on our experience from the September conference and included inspiring talks on the theme from three excellent speakers: Grayson Perry, Jess Worth from "BP or not BP" and Sokari Douglas Camp. This conference was well attended and highly interactive as members' familiarity with Zoom had increased.

Whilst many members have benefitted from the increased accessibility afforded by remote meetings, others have missed the opportunity to meet in person. Our intention is to hold future conferences as "hybrid" events where most members meet in person, but there is the option to participate remotely for those who find it difficult to travel to the conference venue. We are grateful to all members who have organised or contributed to virtual meetings this year or found other ways to adapt our ways of working during the Covid pandemic.

The resilience of our charity and our funding model is demonstrated by the fact that our income from donations and legacies was up 12% on last year. The Network community remains strong, despite the many challenges that we have all faced this year, and its members continue to provide financial support to a range of worthwhile causes in these difficult times. Trustees are particularly grateful to a small number of members who have continued to develop our online funding platforms and provided the technological support that has facilitated this.

Last year, we started an initiative to encourage increased giving through the Major Projects funding stream. We called this initiative "Transformational Major Projects", which we define as projects that enable an existing smaller

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organisation to make a step change in their development and impact, or initiate an important new area of work, with the help of substantial Network support over several years. This initiative was successful with three proposals received, one of which, the Landworkers' Alliance, has been funded to the tune of £163,883 in its first year as a transformational Major Project.

This year we have been proud to establish a Racial Justice Working Group (RJWG) within our membership. The stated aim of this group is to "develop and propose measures for Network that will aim to help transform a system and its legacies that over the centuries have hurt and killed so many racialised minorities". To this end, the group has created an excellent racial justice resource library and organised a series of workshops "In Conversation" with presenters including Keith McClelland of University College London's seminal Legacies of British Slavery (LBS) project, and Patricia Hamzahee, co-founder of Black Funding Network. It has set up several small 'inner work' reading groups and is developing tools to analyse the organisations and projects that we fund through a racial justice lens. The RJWG has provided a space for us as a charity, and as a community of individual funders, to consider and debate issues of racial justice in our lives and in our work, to learn about the work of organisations active in this area, and to reflect on how unconscious bias plays out in our own funding practices.

A further innovation this year has been a series of online presentations from previously funded Major Projects in our "What Happened Next?" series. Members have found these workshops very helpful in supporting them to understand and evaluate the impact of NSCCT grants over the longer term, and after the grant itself has ended.

Membership

During the year the total membership of the charity has dropped slightly to 113 individuals/ 92 subscriptions (2020: 119/99). These figures include 23 "Associates" - members who have largely retired from active participation but who wish to remain part of the Network community. Interestingly, we have seen a few associate members return to active participation this year, perhaps aided by the increased accessibility of virtual conferences, or encouraged by changing circumstances, financial or personal. This indicates the success of our associate membership scheme which we established in 2011. Recruitment of new members was initially paused in 2020 due to prohibition of in-person meetings, but we have now re-started recruitment, and have some ideas for increasing the membership in 2021-22.

Funding

Two Major Projects were funded during the year. The first, Cutting Carbon Now (CCN), a project in collaboration with the Green Alliance Trust, received £235,335. Now in its third year of Network funding, CCN aims to support the Climate Change Act 2008, the independent Committee on Climate Change (CCC) established by it, and the implementation of its carbon budgets. CCN thus works to support the UK's move towards a low carbon economy and society by the 2030s, and to secure achievement of the UK's net zero carbon target by 2050.

During the most recent full year of Network funding, CCN continued to focus on the original five principal policy areas outlined in [Acting on Net Zero Now](#). These include bringing forward the 2040 ban on the sale of new petrol and diesel vehicles, funding a new home energy efficiency programme, restoring the UK's natural carbon sinks, and strengthening the renewables sector, particularly onshore. Priority was given to the transport sector, as it represents an ever-larger proportion of the UK's emissions, as coal-fired power stations are phased out.

CCN used analysis, political advocacy, and communications to secure its various goals. With the UK playing host in late 2021 to COP26 in Glasgow (for just under 200 governments to negotiate cuts in carbon emissions), the meeting was seen as a particularly strong lever for winning domestic policy changes in support of the CCC's carbon budget. [The Net Zero Policy Tracker](#), published every few months, outlined the key gaps in the various sectors, and as such was of particular importance for MPs and others to chivvy decision makers. CCN and Green Alliance also organised a number of online and face to face meetings with ministers, select committees and

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others. Key wins included bringing forward the phase out date for the sale of petrol and diesel cars and looking more favourably on onshore wind power units.

An external evaluation commissioned in July 2021 concluded that the CCN programme has made a significant financial contribution to Green Alliance's work on climate and that, as such, NSCCT had helped shape new government policies. The evaluation recommended continuation of funding for a further three years.

The Landworkers' Alliance (LWA) is Network's first transformational Major Project. It received £163,883 in its first year, with the Permaculture Association acting as partner charity. The aim of transformational projects is to enable an existing smaller organisation to make a step change in its development and impact. A member-led organisation of farmers, growers, foresters and land-based workers, LWA works for a future where everyone can access local, healthy and affordable food, and a land-use system that furthers social and environmental justice. In its first year it has met, and often exceeded, its targets, increasing membership by 57% (25% target) and supporter numbers by 118% (50% target), with significant rises in followers on all its social media channels. It has also met its targets for self-generated income. In addition, the LWA has made important contributions at policy level, including on The Agriculture Bill, Covid support for farm businesses, the Environmental Land Management schemes (post Brexit support for farmers), and the National Food Strategy.

In addition, our two other funding streams continued with a strong range of short and medium-term project funding. The Pools and Fast Track grant streams each funded between 40 and 50 organisations. Both included some projects which have been funded in the past, but also funded organisations which have not previously received Network support. The Trustees are grateful to the members for their efforts in bringing new projects to the attention of Network.

Financial review

Total incoming resources for the year ending 31 August 2021 were £1,475,278. After total resources expended of £1,477,067, a loss of £1,789 has arisen. Total funds carried forward are £164,631.

NSCCT has no employees – all the necessary work, other than administration, is carried out by the members on a voluntary basis. The Trustees would like to pay tribute to this substantial collaborative voluntary effort.

Funding for Social Change Limited (FSC Ltd) is an associated company with members and some directors in common. NSCCT has the part-time use of the services of the Administrator employed by FSC Ltd. The fee from FSC Ltd for administrative services this year was £49,571 (2020: £55,304).

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately 3 to 6 months' unrestricted administrative expenditure. Operating reserves as estimated at year end were £42,055.

Trustees review the reserves figure quarterly and may seek to increase/reduce reserves if necessary by modifying the admin fee payable by all members on donations (currently 3%).

The Trustees are not aware of any material uncertainties that would cast doubt on the charity's ability to continue as a going concern.

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Investment powers and policy

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the Trustees see fit. It is the normal practice of the charity to pay monies received out as grants and thus not to build up investments beyond necessary reserves. Trustees review cash holdings quarterly to ensure that we are receiving maximum interest possible.

Principal funding sources

Funds are raised by voluntary contributions from resources available to individual members of NSCCT. We do not accept funding from external sources. However, when funding from NSCCT is pledged, this can result in a leverage effect, as other funders are encouraged by this example to follow NSCCT's funding.

How expenditure in the year has supported the key objectives of the charity

In accordance with our objectives, 96% of expenditure during the year was spent on support for our long-term Major Projects, annual awards for new projects proposed by the six topic-based Pools, and smaller awards for Fast Track funding projects proposed by individual members.

Description of principal risks and uncertainties

The Trustees have for several years conducted an ongoing analysis of risks and have taken steps to mitigate the most significant.

Our charity does not employ any staff, and all our funding decisions are made by volunteers, some of whom have little experience of grant-making. There is a risk that the grants we make are ineffective, or do not provide best possible value for the intended beneficiaries.

To reduce this risk, our more experienced members work to support those who are newer to grant-making, for example by organising training in areas such as sponsorship, project assessment and reading accounts. We are a member of the Association of Charitable Foundations (ACF) and encourage our members to access the many training opportunities they provide.

All projects in each of the three funding streams are required to provide appropriate evaluation reports which are reviewed and made available to all members. We encourage ongoing discussion of impact, for example through our "What Happened Next?" series of presentations from former Major Project grant recipients.

We are aware of the current debate around the perceived politicisation of charities. As a grant-making charity we take seriously our responsibility to follow the guidance from the Charity Commission on campaigning and political activities when deciding who and what to fund. In addition to the due diligence carried out by individual sponsors and pools, we have a committee of six members who scrutinise all projects for any indication that the proposed work might be deemed too political to receive charitable funding. We work closely with the directors of Funding for Social Change Ltd (FSC Ltd) and often refer projects to them if we feel that they are unsuitable to receive a grant from us.

We are aware that our connection with FSC Ltd poses its own risks, particularly in relation to reputation since we do share members and branding with this company. We have taken steps to ensure that we are compliant with the Charity Commission's guidance for charities with a connection to a non-charity, and regularly review our governance processes to ensure adequate separation between the two entities.

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We purchase administrative and other services from FSC Ltd under a contract that is reviewed annually. The Administrator is supported by a freelance Database Manager, Web Developer and Bookkeeper on an ad hoc basis. Trustees have put in place measures to mitigate the loss of any of these key personnel. Measures include ensuring that a designated Trustee has the means to access the admin office and all passwords, that Trustees between them have sufficient knowledge of the database and administrative systems to maintain these over a short period, and that the Administrator handover notes are updated regularly.

All applications to NSCCT must be sponsored by a member and we do not accept unsolicited funding applications. We are aware that this may lead to bias in our selection of projects for funding, that we may be missing highly deserving projects, particularly those run by minoritized ethnic groups, simply because we don't "see" them. To counter this, we maintain a "Project Noticeboard" on our website where members of the public can post details of their project which may lead to sponsorship by a NSCCT member. Members of our Racial Justice Working Group are making efforts to bring different types of organisations/projects to the attention of our members.

Trustees regularly review outreach strategy to ensure that new members are recruited who can take on roles within the charity. Trustees are aware that if member numbers or members' access to financial resources drops then the activities of the charity may need to be scaled down in proportion.

We regularly review our internal financial processes and are satisfied that appropriate procedures are in place to mitigate loss from fraud or misappropriation of funds.

Plans for future periods

Next year, we intend to conduct a full review of our grant Terms & Conditions for all funding cycles. This is a substantial piece of work that we hope to report on in our next annual report. Furthermore, we have set up a committee to review of our largest funding stream, the "Pools system", and hope to implement any changes arising from this review in the next year.

We have plans to substantially develop our website, both the secure members' area that will house more information for members as well as our online funding platforms, and our external public-facing website.

Whilst we very much hope to return to in-person conferences post-pandemic, we will continue to develop our online systems to provide remote access for members who find it difficult to travel to conferences.

Our "In Conversation" and "What Happened Next?" online workshops will continue into next year, providing an opportunity for members to meet (remotely) and engage with Network activity in between conferences.

We will continue to look for ways of sharing our experience and model with other grant-making bodies, both in the UK and beyond. We will also continue the sensitive task of maintaining the public profile of NSCCT whilst retaining our ethos of mutual trust between members, many of whom wish to retain confidentiality.

Structure, governance and management

Induction and training of Trustees

NSCCT's policy is that only active members of NSCCT are appointed as Trustees so newly appointed Trustees already have a good knowledge of NSCCT's objectives and activities. Some will already have served as Trustees on other charitable bodies. There are no outside appointments. New Trustees are supported to undertake training as appropriate to their role. The board confirms that it has reviewed the Charity Commission's revised guidance for Trustees. The board numbers five individuals who each serve a three to five year term.

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Report of the Trustees for the Purposes of Section 162 of the Charities Act 2011 and Directors' Report for the Purposes of Section 417 of the Companies Act 2006 (Continued)

Year ended 31 August 2021

Decision-making

NSCCT members are personally active in sponsoring, assessing, selecting and commending projects to fellow members. Our funding processes are designed to encourage members to find worthwhile projects, assess their potential and evaluate their achievements. Those without previous experience of such an undertaking work alongside more experienced members.

Members work together to make robust funding decisions with every attempt to avoid implicit bias. They support each other in the decision-making process.

Many members belong to one of the six funding Pools: Arts and Education for Change, Economic Justice, Green Planet, Health & Wellbeing, Human Rights, and Peace. Pools meet two or three times a year between the biannual conferences to discuss funding strategy, review applications received, prioritise projects for funding and consider evaluations. Two Pool members are appointed as assessors to examine each project in detail, and to obtain written or verbal references from external referees. Assessors will always aim to visit the organisation at its usual place of work where possible. Where this is not possible assessments are conducted online.

In addition, some members act as steering groups for Major Projects, meeting several times a year to co-ordinate projects that are intended to last several years and have a substantial effect on a particular area. These projects are reviewed at intervals by independent members of NSCCT not on the steering group, or by external evaluators.

Members may also sponsor applications for small grants, termed Fast Track funding, and are responsible for assessing and evaluating these projects.

Funds are raised mainly at the NSCCT conferences in the Spring (February) and Autumn (September / October) each year, with some additional funds raised for Fast Track funding in Winter and Summer "interim" sessions. At the Spring conference, the Pools present the projects that they have selected, invite questions from other members, and ask for funding. At the Autumn conference, Major Projects present initial applications for funding or reports on progress and ask for funding.

While members participate in the process, it is clearly understood that the legal responsibility for the distribution of funds raised remains with the Trustees, and that the charitable monies are given for the general purposes of NSCCT, whether they are restricted to the organisations being funded (as in Fast Track and Major Project funding) or unrestricted (which is the case for Pools funding). On the Pools pledging forms, members can express a preference for certain Pools, but they recognise that the Trustees have the final responsibility for the allocation of funds.

Matters relating to the running of NSCCT are discussed at the biannual conferences and annual "Guardians" meetings to which all members are invited.

The company's AGM takes place at the Spring conference each year. All members are encouraged to contribute to the running of the organisation: as conference organisers, co-ordinators, convenors, links with specialist sub-groups, or as Trustees. Trustees have final responsibility for decisions and meet regularly.

Nature of the governing document

The Memorandum and Articles of Association for the charity were drawn up by Bates Wells & Braithwaite London LLP.

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Report of the Trustees for the Purposes of Section 162 of the Charities Act 2011 and Directors' Report for the Purposes of Section 417 of the Companies Act 2006 (Continued)

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How the charity is constituted

The charity is constituted as a company limited by guarantee registered on 15 July 1986.

Arrangements of setting the pay of key management

The charity has no paid staff. Trustees are not paid, and all members carry out their work for the charity on an entirely voluntary basis.

Network For Social Change Charitable Trust

Report of the Trustees for the Purposes of Section 162 of the Charities Act 2011 and Directors' Report for the Purposes of Section 417 of the Companies Act 2006 (Continued)

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Reference and Administrative Information

Trustees:	M Tucker J Paget (Resigned 20/02/21) A Schiff M Tucker (Resigned 20/02/21) P Horrocks G Howarth (Appointed 20/02/21) R Manser (Appointed 20/02/21)
Status:	Network For Social Change Charitable Trust is a company limited by guarantee. Company Number: 02037412 Charity Number: 295237 The company is governed by its Memorandum and Articles of Association.
Registered Office:	Centenary House Peninsula Park Rydon Lane Exeter EX2 7XE
Statutory auditor:	PKF Francis Clark Chartered Accountants Centenary House Peninsula Park Rydon Lane Exeter EX2 7XE
Bankers:	The Co-operative Bank Plc PO Box 101 1 Balloon Street Manchester M60 4EP CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ Shawbrook Bank Limited Lutea House Warley Hill Business Park The Drive Great Warley Brentwood CM13 3BE
Restrictions:	The Memorandum of Association of the company prevents it from undertaking permanent trading activities to raise funds for the charitable objects.

Network For Social Change Charitable Trust

Report of the Trustees for the Purposes of Section 162 of the Charities Act 2011 and Directors' Report for the Purposes of Section 417 of the Companies Act 2006 (Continued)

Year ended 31 August 2021

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Network for Social Change Charitable Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', United Kingdom Accounting Standards (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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then 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 operation.

The Trustees are responsible for keeping adequate accounting records that 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. The Trustees 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.

In so far as the Trustees are aware at the time of approving our annual report:

- there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the charity's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Funds held as Custodian Trustees on behalf of others

None.

Auditors

Following a full review of accountancy services and a tender process carried out in the Summer of 2021, the current auditors, PKF Francis Clark, will not be proposed for re-appointment at the AGM. We are grateful to PKF Francis Clark for their work with the charity over many years. In accordance with section 485 of the Companies Act 2006, Thomas Westcott will be proposed for appointment as accountants and auditors to the Network for Social Change Charitable Trust in February 2022.

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Report of the Trustees for the Purposes of Section 162 of the Charities Act 2011 and Directors' Report for the Purposes of Section 417 of the Companies Act 2006 (Continued)

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Signed on behalf of the Board of Trustees on 2022

A Schiff

Network For Social Change Charitable Trust

Independent Auditor's Report to the Members (Continued)

Year ended 31 August 2021

Opinion

We have audited the financial statements of Network For Social Change Charitable Trust (the "Charity") for the year ended 31 August 2021 which comprise Statement of Financial Activities, Balance Sheet, Statement of Cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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 original financial statements were authorised for issue.

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

Other information

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

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

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Independent Auditor's Report to the Members (Continued)

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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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report, (which includes the 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the 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 obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 9, the Trustees (who are also the directors of the charity 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 they 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.

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.

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Independent Auditor's Report to the Members (Continued)

Year ended 31 August 2021

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the charity and the sector in which it operates. The key laws and regulations we identified were Charities Act and regulations in relation to data protection (GDPR).

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily the Companies Act 2006.

We discussed with management how compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the charity complies with laws and regulations and deals with reporting any issues if they arise.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following: -

- Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;
- Reviewing legal and professional costs to identify any possible non compliance or legal costs in respect of non compliance;
- Reviewing Trustees' meeting minutes;

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which there were none.

We evaluated the risk of fraud through management override including that arising from management incentives. The key risks we identified were management bias in accounting judgements and estimates. We also evaluated the risk of fraud through misappropriation of income or misapplication of grant funding.

In response to the identified risk, as part of our audit work:

- Confirmed on a sample basis that expenditure was properly authorised and made in accordance with the terms of the relevant fund;
- Used data analytics to test journal entries throughout the year, for appropriateness;
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making estimates.

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. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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.

Network For Social Change Charitable Trust

Independent Auditor's Report to the Members (Continued)

Year ended 31 August 2021

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.

Stephanie Henshaw (Senior Statutory Auditor)
For and on behalf of
PKF FRANCIS CLARK
Chartered Accountants & Statutory Auditor
Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

2022

Network For Social Change Charitable Trust

Statement of Financial Activities (Including the Income and Expenditure Account)

Year ended 31 August 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income:					
Donations and legacies	2	762,828	711,080	1,473,908	1,317,471
Income from Investments	3	1,370	-	1,370	2,160
Total income		<u>764,198</u>	<u>711,080</u>	<u>1,475,278</u>	<u>1,319,631</u>
Expenditure:					
Expenditure on charitable activities	4	748,531	727,166	1,477,067	1,254,642
Total resources expended		<u>749,901</u>	<u>727,166</u>	<u>1,477,067</u>	<u>1,254,642</u>
Net income/(expenditure)		14,297	(16,086)	(1,789)	64,989
Transfers between funds	10	(16,040)	16,040	-	-
Net movement in funds		<u>(1,743)</u>	<u>(46)</u>	<u>(1,789)</u>	<u>64,989</u>
Funds at 1 September 2020		57,270	109,150	166,420	101,431
Funds at 31 August 2021	10	<u>55,527</u>	<u>109,104</u>	<u>164,631</u>	<u>166,420</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Network For Social Change Charitable Trust

Balance Sheet

Year ended 31 August 2021

	Note	2021 £	2020 £
Current assets			
Debtors	7	1,100	1,163
Cash at bank and in hand		203,545	189,570
Total current assets		204,645	190,733
Liabilities			
Creditors due within one year	8	(40,014)	(24,313)
Net current assets		164,631	166,420
Net assets		164,631	166,420
The funds of the Charity			
Unrestricted funds	10	55,527	57,270
		55,527	57,270
Restricted funds	10	109,104	109,150
Total Charity funds		164,631	166,420

The financial statements were approved by the board of the Trustees on behalf by:

and signed on its

A Schiff

Director

Company Registered Number: 02037412

Network For Social Change Charitable Trust

Statement of Cash Flows

Year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities	17	12,605	66,193
Cash flows from investing activities			
Dividends, interest and rents from investment		1,370	2,160
Cash provided by investing activities		1,370	2,160
Changes in cash and cash equivalents in the reporting period		13,975	68,353
Cash and cash equivalents at the beginning of the reporting period		189,570	121,217
Cash and cash equivalents at the end of the reporting period	18	203,545	189,570

Network For Social Change Charitable Trust

Notes and Accounting Policies

Year ended 31 August 2021

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) Basis of preparation

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: Statement of Recommended Practice' applicable to charities preparing their financial statements in accordance with the Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The functional currency of Network for Social Change Charitable Trust is considered to be pounds sterling because it is the currency of the primary economic environment in which the company operates.

The charity is incorporated in England and Wales.

(b) Going concern

The financial statements have been prepared on a going concern basis. Having taken into consideration the impact of the Covid-19 pandemic on the recruitment of members and pledges received, noting that grants are awarded at the discretion of the Trustees where there are sufficient reserves, the Trustees are not aware of any material uncertainties that would cast doubt on the charity's ability to continue as a going concern.

(c) Donations and legacies

Donations and other income including legacies are included in incoming resources in the year in which they are receivable / when the charity becomes entitled to receipt. They are only recognised when the amount can be measured with sufficient reliability.

(d) Expenditure on Charitable activities

Expenditure is included on an accruals basis and has been classified under headings that aggregate all costs relating to that category.

Grants payable are charged in the year when the offer is conveyed to the recipient. All grants are made for charitable purposes.

An administration charge of 3% of restricted income is transferred to unrestricted funds as agreed by the donors when the pledges are made.

Charitable expenditure comprises those costs incurred by the charity in carrying out its grant-making activities.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity.

Network For Social Change Charitable Trust

Notes and Accounting Policies

Year ended 31 August 2021

(e) Fund Accounting

Restricted Funds

Restricted funds comprise amounts which the Trustees may only use in accordance with the conditions required by the donors.

Unrestricted Funds

The unrestricted funds consist of those amounts which the Trustees may use in furtherance of any of the charitable objectives of Network for Social Change Charitable Trust. Transfers can be made from the unrestricted fund to any of the other funds. Designated funds represent those elements of unrestricted funds which have been allocated by the Trustees for specific purposes.

(f) Transfers

The Board, in accordance with its powers and within the restrictions imposed by such, has approved the transfer of such income as is not otherwise committed between funds.

(g) Taxation

The charity is not registered for Value Added Tax, and the cost of irrecoverable VAT is therefore included within the relevant expenditure headings.

(h) Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments being other debtors and creditors and bank balances, details of which are in notes 7 & 8.

2. Donations and Legacies	2021 £	2020 £
General Donations	1,320,908	1,187,794
Gift Aid Tax recovered	153,000	129,677
Legacies	-	-
	<u>1,473,908</u>	<u>1,317,471</u>

Included in the total of £1,473,908 (2020: £1,317,471) is restricted income of £711,080 (2020: £564,189). All other income is unrestricted.

3. Investment Income	2021 £	2020 £
Interest received	388	850
Income payments from Legacy	982	1,310
	<u>1,370</u>	<u>2,160</u>

The total of £1,370 (2020: £2,160) is unrestricted.

Network For Social Change Charitable Trust

Notes and Accounting Policies

Year ended 31 August 2021

4. Expenditure on charitable activities

	Note	2021 £	2020 £
Grants payable		1,418,550	1,190,815
Service charges and other costs		54,677	59,867
Governance costs	6	3,840	3,960
		<u>1,477,067</u>	<u>1,254,642</u>

Included in the total of £1,477,067 (2020: £1,254,642) is restricted expenditure of £727,166 (2020: £505,049). All other expenditure is unrestricted.

Central conference costs of £400 are reflected within service charges and other costs above.

5. Trustees' Remuneration

No director / Trustee received any remuneration in respect of his / her services during the period.

6. Governance costs

	2021 £	2020 £
Auditor's remuneration	1,920	1,980
Accountancy services	1,920	1,980
	<u>3,840</u>	<u>3,960</u>

7 Debtors

	2021 £	2020 £
Gift Aid	-	138
Other debtors	1,100	1,025
	<u>1,100</u>	<u>1,163</u>

Network For Social Change Charitable Trust

Notes and Accounting Policies

Year ended 31 August 2021

8. Creditors

	2021 £	2020 £
Accruals	3,840	3,840
Funding for Social Change Limited	17,006	14,929
Other creditors	7,444	5,064
Deferred Income	11,724	480
	<u>40,014</u>	<u>24,313</u>

9. Taxation

The company is a registered charity and does not have any liability to corporation tax.

Network For Social Change Charitable Trust

Notes and Accounting Policies

Year ended 31 August 2021

10. Funds

Restricted Funds	Balances b/fwd £	Incoming Resources £	Outgoing Resources £	Transfers £	Balances c/fwd £
Fast Track Funding	(945)	309,363	(311,799)	3,831	-
Major Projects					
Cutting Carbon	107,211	235,263	(245,816)	8,233	104,890
Landworkers Alliance	-	164,525	(168,952)	4,427	-
	107,211	399,788	(414,767)	12,659	104,890
Anonymous Donations	-	-	-	-	-
Conferences	2,884	1,930	(600)	-	4,214
Total	109,150	711,080	(727,166)	16,040	109,104
Unrestricted Funds	Balances b/fwd £	Incoming Resources £	Outgoing Resources £	Transfers £	Balances c/fwd £
General	42,270	24,567	(15,270)	(16,040)	35,527
Designated (Pools)					
Arts & Education					
For Change	15,000	100,379	(93,644)	(21,735)	-
Economic Justice	-	112,129	(120,514)	8,385	-
Green Planet	-	143,476	(147,742)	4,266	-
Health & Wellbeing	-	117,334	(100,040)	2,706	20,000
Human Rights	-	113,530	(137,253)	23,723	-
Peace	-	127,785	(134,690)	6,905	-
Unallocated	-	25,000	(750)	(24,250)	-
Total Designated	15,000	739,631	(734,631)	-	20,000
Total unrestricted	57,270	764,198	(749,901)	(16,040)	55,527
Total Funds	166,420	1,475,278	(1,477,067)	-	164,631

**General incoming resources include:

	£
Membership and gift aid	23,197
Legacy	-
Interest	1,370

Network For Social Change Charitable Trust

Notes and Accounting Policies

Year ended 31 August 2021

10. Funds (continued)

Comparative information in respect of the preceding period is as follows:

Restricted Funds	Balances b/fwd £	Incoming Resources £	Outgoing Resources £	Transfers £	Balances c/fwd £
Fast Track Funding	-	269,255	(267,252)	(2,948)	(945)
Major Projects					
Cutting Carbon	1,134	277,875	(173,375)	1,577	107,211
Remote Control	48,333	-	(48,333)	-	-
	49,467	277,875	(221,708)	1,577	107,211
Anonymous Donations	-	6,710	(6,557)	(153)	-
Conferences	2,067	10,349	(9,532)	-	2,884
Total	51,534	564,189	(505,049)	(1,524)	109,150
Unrestricted Funds					
	Balances b/fwd £	Incoming Resources £	Outgoing Resources £	Transfers £	Balances c/fwd £
General	50,323	40,834**	(68,236)	19,349	42,270
Designated (Pools)					
Arts & Education					
For Change	-	96,868	(86,728)	4,860	15,000
Economic Justice	-	122,426	(128,811)	6,385	-
Green Planet	-	125,627	(145,598)	19,971	-
Health & Wellbeing	-	95,568	(102,213)	6,645	-
Human Rights	-	104,697	(114,783)	10,086	-
Peace	(426)	85,231	(103,224)	18,419	-
Unallocated	-	84,191	-	(84,191)	-
Total Designated	(426)	714,608	(681,357)	(17,825)	15,000
Total unrestricted	49,897	755,442	(749,593)	1,524	57,270
Total Funds	101,431	1,319,631	(1,254,642)	-	166,420

**General incoming resources include:

	£
Membership and gift aid	22,571
Legacy	16,103
Interest	2,160

Network For Social Change Charitable Trust

Notes and Accounting Policies

Year ended 31 August 2021

10. Funds (continued)

Details of restricted funds

Fast Track funding - for a variety of small-scale projects introduced by NSCCT members.

Cutting Carbon Now (CCN)

Cutting Carbon Now, CCN aims to support the Climate Change Act 2008, the independent Committee on Climate Change (CCC) established by it, and the implementation of the carbon budgets the CCC recommends.

Landworkers' Alliance (LWA)

A member-led organisation of farmers, growers, foresters and land-based workers, the Landworkers' Alliance works for a future where everyone can access local, healthy and affordable food, and a land-use system that furthers social and environmental justice.

The Trustees consider that sufficient resources are held in an appropriate form to enable the funds to be applied in accordance with any restrictions.

11. Average Number of Employees

The company had no employees during the year.

12. Contingent Liabilities

There were no contingent liabilities at 31 August 2021 (2020: £Nil).

13. Related Party Transactions

The company is associated with Funding for Social Change Limited, with which it has two Trustees in common.

The administrative services provided by Funding for Social Change Limited for the Year ended 31 August 2021 totalled £49,571 (2020: £55,304). The amount due to Funding for Social Change Limited at 31 August 2021 was £17,006 (2020: (£14,929)).

During the year the company received, in total, donations from its Trustees of £91,191 (2020: £116,925).

14. Share Capital

The company is a company limited by guarantee and therefore has no share capital.

Network For Social Change Charitable Trust

Notes and Accounting Policies

Year ended 31 August 2021

15. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 August 2021 are represented by:			
Current assets	95,541	109,104	204,645
Current liabilities	(40,014)	-	(40,014)
	<u>55,527</u>	<u>109,104</u>	<u>164,631</u>

Comparative information in respect of the preceding period is as follows:

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31 August 2020 are represented by:			
Current assets	81,583	109,150	190,733
Current liabilities	(24,313)	-	(24,313)
	<u>57,270</u>	<u>109,150</u>	<u>166,420</u>

Network For Social Change Charitable Trust

Notes and Accounting Policies

Year ended 31 August 2021

16. Material Institutional Grants (those of £10,000 and above)

Organisation	Charity Number	Amount Paid
The Green Alliance Trust	1045395	£235,335
Permaculture Association (Britain)*	1116699	£163,883
War on Want*	208724	£38,979
The Funding Network*	1088315	£25,141
Art Against Knives	1140866	£22,278
Lightyear Foundation Ltd	1150231	£20,592
Jubilee Debt Campaign	1055675	£20,000
Buglife the Invertebrate Conservation Trust	1092293	£20,000
Wildlife and Countryside Link	1107460	£20,000
London Cycling Campaign	1115789	£20,000
Foundation for Integrated Transport *	1156363	£20,000
The Kittiwake Trust	1165318	£20,000
The Henry Doubleday Research Association	298104	£20,000
Bread and Roses LDN Limited	1193690	£19,658
OpenTrust	1086404	£19,192
Centre for Criminal Appeals	1144162	£19,192
Inclusion London*	1157376	£19,192
Public Interest Research Centre Limited	266446	£19,098
The Nuclear Education Trust*	1118373	£18,633
Trust for Research and Education on the Arms Trade (TREAT)*	328694	£18,633
The Salvation Army	214779	£18,192
The Association for Coastal Ecosystem Services*	SC043978	£18,087
Aviation Environment Trust	276987	£18,000
The Labour Behind the Label Trust	1159356	£17,219
Peace Direct	1123241	£17,133
Independent Diplomat Limited	1125699	£16,139
University of Cambridge		£15,133
London Waterkeeper	1165862	£15,709
Founders for Good Ltd*	1162201	£15,600
Saferworld*	1043843	£15,133
Marmot Charitable Trust*	1106619	£15,133
The Church of Scotland*	SC011353	£15,133
Nourish (Scotland)	SC048239	£15,100
Frantic Theatre Company Ltd	1113716	£15,000
Bloody Good Period	1185849	£15,000
Birkbeck, University of London		£15,000
The Open Seas Trust	SC045699	£15,000
Detention Action	1065066	£14,692
The Libertarian Research & Education Trust	1154784	£14,195
Prison Reform Trust	1035525	£14,192
Fairshare Educational Foundation	1117244	£14,000
Juvenis	1168544	£13,104
Prism the Gift Fund*	1099682	£11,906
Youthscape	1081754	£10,600

Network For Social Change Charitable Trust

Notes and Accounting Policies

Year ended 31 August 2021

16. Material Institutional Grants (those of £10,000 and above) (continued)

- * Permaculture Association (Britain), grant was approved for Landworkers Alliance - £163,883
- * War on Want, in addition to a direct grant of £18,979, a grant was approved for Stamp Out Poverty - £20,000
- * The Funding Network, grants were approved for Black Funding Network - £5,141, The 4Front Project - £20,000
- * Foundation for Integrated Transport, grant was approved for Transport Action Network - £20,000
- * Inclusion London, grant was approved for Reclaiming Our Futures Alliance - £19,192
- * Nuclear Education Trust, grant was approved for Nuclear Information Service - £18,633
- * Trust for Research and Education on the Arms Trade, grant was approved for European Network Against the Arms Trade (ENAAAT) - £18,633
- * The Association for Coastal Ecosystem Services, grant was approved for Sankandi Youth Development Association Gambia - £11,022, Tropical Research and Conservation Centre - £7,065
- * Founders for Good, grant was approved for Strong Minds - £15,600
- * Saferworld, grant was approved for Rethinking Security - £15,133
- * Marmot Charitable Trust, grant was approved for International Campaign to Abolish Nuclear Weapons (ICAN) - £15,133
- * Church of Scotland, grant was approved for Military Court Watch - £15,133
- * Prism the Gift Fund, grants were approved for Action for Education - £7,173, Lemon Tree Trust - £4,733

17. Reconciliation of net expenditure/(income) to net cash flows from operating activities

	2021 £	2020 £
Net income/(expenditure) for the reporting period	(1,789)	64,989
Adjustments for:		
Dividends, interest and rents from investment	(1,370)	(2,160)
(Increase)/ decrease in debtors	63	7,529
Increase/(decrease) in creditors	15,701	(4,165)
Net cash provided by operating activities	12,605	66,193

18. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	203,545	189,570
Total cash and cash equivalents	203,545	189,570