

Company number: 07679479

Charity number: 1145224

Big Change Charitable Trust

Report and financial statements

For the year ended 31 December 2020

Big Change Charitable Trust

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Big Change Charitable Trust

Reference and administrative information

For the year ended 31 December 2020

Company number 07679479 – incorporated in the United Kingdom

Charity number 1145224 – registered in England and Wales

Registered office 7 Savoy Court
London
WC2R 0EX

Operational address The Battleship Building
179 Harrow Road
London
W2 6NB

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

P. Nevin	Chair
H. K. T. Branson	
D. Gannon	(Resigned 16 December 2020)
B. J. Hay	
R. Perry	(Resigned 16 December 2020)
S. Richardson	(Resigned 16 December 2020)
D. Scott	
B. York	
Hayley Gordon	(Appointed 1 January 2021)

Key management personnel	Vanessa North	Chief Executive Officer
	Noah Devereux	Managing Director
	Noah Bernstein	Chief Operating Officer

Bankers Barclays Bank
Leicester
LE87 2BB

Solicitors Harbottle and Lewis LLP
7 Savoy Court, London
WC2R 0EX

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House, 108–114 Golden Lane
London
EC1Y 0TL

Trustees' annual report

For the year ended 31 December 2020

The Trustees present their report and the audited financial statements for the year ended 31 December 2020.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

1. Chair's Report

Big Change was founded in 2012 to think differently about how charity can be a catalyst for positive long-term change for young people. Since then, we've become a small but disruptive force for change, and have developed a tried and tested model for our role as a catalyst. 2020 saw the organisation move forward in its three areas of focus, despite the disruption caused by the COVID pandemic:

- 1) Back the pioneers who are leading bold approaches at the frontline of change: In light of the crisis we adapted our project support and funding to ensure we responded quickly to emergent needs of young people, parents, teachers and communities impacted by COVID.

In May, we launched *the Emergent Needs Fund* which allocated £397k to 12 pioneering projects that had a clear opportunity for impact in the moment, while laying foundations for longer term system change. The results have been promising, with projects like Big Education, Parent Ping, Tranquiliti, and HeadsUp all showing early signs of impact.

In parallel, we worked closely with all of our existing project partners to support them to adapt and navigate the crisis.

- 2) Unite a community of supporters to direct funds and energy to the areas of greatest impact: After substantially reorienting our 2020 income strategy due to the COVID crisis, we raised £1m in charitable funds, including £100k through virtual fundraising events. 2020 also saw (a) the launch of the Big Change Supporter Circle, our first ever community-led collective of monthly donors supporting Big Change projects via the Impact Fund, and (b) the evolution of our Next Gen community offer in partnership with the Horizons network, formally launched in early 2021.

We continued to engage and expand our community in new ways, including an invitation-only Zoom Q&A series showcasing our project partners and their work, our first-ever virtual Strive challenge event, and a virtual 'think-in' to share learnings from around the world.

- 3) Activate diverse allies as a force for long term system change: After publishing our 10 hopes for change ([#hopes4ed](#)), we worked with partners to scope the big idea under hope No.1 – launching a ground-breaking Commission on the Future of Education & Learning in England to drive a new public conversation about education. The remainder of 2020 was focused on laying the foundations for the commission through research and insight gathering to help identify a big question/focus that captures the zeitgeist, and building support in the form of funding and partnerships, with a view to launching Phase 1 in Spring 2021.

In parallel, we worked in partnership with the City of London and IPPR to publish the research report *“The ‘new normal’: The future of education after Covid-19”*, released in October. The report highlights three areas where the pandemic has the potential to open up new conversations about the future of schooling and highlighted a number of policy asks of government; it was covered by BBC News and over 180 online news sources.

At the global level, one of the highlights of the year was the September launch of the global insight series, #NewEducationStory, which brought together diverse thinkers and leaders to discuss the possibilities of this period of global disruption to trigger big change in education. The campaign featured Holly Branson, Adam Grant, George the Poet, Simon Sinek and 19 others, and showed record engagement rates (14.5 million people globally).

Like many charities, Big Change’s finances took a big hit in 2020 with income down 39% from 2019. However, thanks to some creative (virtual) fundraising, the team managed to exceed their reforecast income target and narrow the annual deficit to £535k. While cost cutting will persist into 2021 as a hedge against economic uncertainty, the team have set themselves up well for 2021 and are cautiously optimistic that fundraising will return to pre-Covid levels by the end of next year.

For the coming year, our strategy is centred around three areas of work, with a focus on building on our solid foundations and proven model to increasingly work with partners to amplify our potential to catalyse big change:

1. **Projects** – continuing to back pioneers with insight-led solutions for long term change. To ensure we find and back the highest potential projects we are focusing on shifting to increasingly proactive scoping and outreach, more regular project allocation and developing an updated impact model for systemic change.
2. **Community** – in addition to our traditional event-based fundraising we will be building on our proven model and track record to work with a broader network of donors, foundations and organisations to partner and unlock greater funds to support the pioneers at the forefront of change.
3. **System change** – building on our work to date and growing network of cross-sector system change leaders we will be working with allies to act as a catalyst to change the conversation and priorities at both the grasstops (policy and system influencers) and grassroots.

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2021 will undoubtedly present challenges for the organisation and the sector as a whole. However, we feel positive that we can meet these challenges, using the post-Covid environment as an opportunity to advance thinking and action on educational system change, ensuring that every young person can thrive in a world of constant change.

Philip Nevin (Chair)

5 July 2021

2. About Big Change

We want to see a society working together so that every young person is set up to thrive in life. By 2030 we aim to:

1. **Show a new way is possible:** Pioneering approaches to supporting young people have become the new normal, and the learning experience of every child, no matter what their background or circumstance, sets them up with the agency and opportunity to thrive.
2. **Make education everyone's business:** All parts of society, including parents and employers, are actively involved in supporting young people and schools to thrive as part of learning ecosystems
3. **Create a new common sense:** Wider society has accepted a new and expanded purpose for education, and key parts of the system have changed to support it.

We act as a catalyst for this change by:

- Backing the pioneers who are leading bold approaches at the frontline of change;
- Uniting a community of supporters to direct funds and energy to the areas of greatest impact;
- Working with cross-sector allies to catalyse system change.

Our model and approach to achieve this consists of three distinct but interlinked pillars – Insight, Action, and Support:

1. **Insight:** We listen and learn with and from all parts of the system to understand what is needed to support reimagining education over the long-term.
2. **Action:** We target our support to the most critical opportunity areas by finding and backing the leaders with big vision to help them prove a new way is both possible and powerful.
3. **Support:** We activate a network of people and organisations who power this change through individual effort and collective action.

For more information please see big-change.org, our [10 Hopes for Change](#) or our [Change is Happening](#) impact review.

3. Our Projects

Big Change will only happen if we do things differently, which is why we fund in the areas where there is critical need, we have a unique opportunity to add value and that, if changed, could have a broader systemic impact.

2021 will be an exciting year for project work as we look to expand our system-level initiatives in the form of a [Big Education Conversation](#), a national campaign to get people talking about what education is really for and how it should change for the future. We'll also fund and support another

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For the year ended 31 December 2020

cohort of inspiring early stage projects who are looking to transform the way young people are supported. Finally, we'll hold both virtual and, hopefully, in-person events to convene and catalyse our incredible group of supporters and Strivers.

When considering projects, we are particularly interested in the following key criteria:

1. Does the applicant have a bold ambition for system change, with the potential to significantly impact on the broader sector? What is the unique and disruptive insight that can really change the way things are done?
2. Does the idea focus on positive growth: would the project clearly support young people to unlock their potential, and make a real difference?
3. Does the proposal demonstrate that there is a clear and compelling need? Is there a clear benefit to the education/youth development sector in the UK, and would the project have support from sector experts and other practitioners?
4. Do the team have passionate leadership: are the right people in place with the expertise and experience to fulfil their big ambition?
5. Is the project a good fit for Big Change: can we add significant value to the project?

With the above in mind, we launched our 2020 grant allocation process, with up to £450,000 in available funding for aligned project partners. In light of the crisis, our definition of alignment in 2020 was slightly different than in previous years: our focus was on projects that had a clear opportunity for impact in the moment, while laying foundations for longer term system change through:

- Supporting educators to learn, grow and try things differently together;
- Making sure the most vulnerable have the trusted relationships required for them to thrive;
- Making sure that traditionally marginalised groups of young people and parents have their experiences reflected in decision making
- Gather evidence that a new way is possible to shape the 'next normal'

Whilst the grant application process was open to all, we also solicited applications from a number of people and organisations who were part of our pipeline development. Each submitted an expression of interest and, if successful, a subsequent detailed proposal was assessed, both internally and by an invited Impact Council of sector experts and Trustees (see Section 5, Grant Making Policy).

Of the £450k available, £429k was allocated to twelve projects over a period of two years. Of this amount, £397k was disbursed in 2020, with the remainder (£32k) designated for 2021.

An additional £297k was disbursed in 2020 to partners from the 2018 and 2019 project cohorts.

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This brings the total of funds distributed to Big Change project partners in 2020 to £694k (£397k to 2020 project partners, the remaining £297k to previous cohorts).

Details of all funded projects as follows:

Emergent Needs Fund

TRANQUILITI

(£50,00 awarded in 2020)

Tranquiliti is a new, digital service that looks to place the voice of every young person at the heart of their school. Central to their service is a question-set which asks young people about their wellbeing, mental health, and experiences at school. They support tailored early intervention and positive culture change in schools, as well as more effective signposting for young people onto the support they need most.

In 2020, Big Change supported the staff costs to scope and build the Tranquiliti service.

LEARNING FROM LOCKDOWN (via Big Education Trust)

(£25,000 awarded in 2020)

Learning from Lockdown tries to answer the question, what can we learn from lockdown that will improve education when schools return? Their blog, and accompanying playbooks and toolkits for educators, helped curate some of these ideas and insights, so that this extraordinary forced experiment genuinely has lasting legacy and real benefit.

Big Change funded staff and leadership/management salaries for the launch and implementation of Learning from Lockdown.

EASYPEASY (via Character Counts)

(£30,000 awarded in 2020)

Big Change provided flexible support for EasyPeasy's advocacy work, to work toward the goal of increasing resource for and attention early intervention. The support was ringfenced to the following categories of activity: awareness building, lobbying and campaigning, and coalition building.

This support enabled the EasyPeasy team to unite their network of public, private and third sector partnerships to explore revitalising the First 1001 Days campaign. This influenced the outcome of a spending review, persuading the government to implement a recommendation from the Health and Social Care Committee's First 1001 Days of Life report (a shift in public expenditure towards intervening earlier rather than later).

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[PARENT PING \(via Education Intelligence\)](#)

(£40,000 awarded in 2020)

Parent Ping is a daily survey app that helps parents learn how other parents are dealing with life by sharing experiences, gathering and sharing data on what's happening, and to meld together education and parent data in a way that has never been done before.

In 2020, Big Change funded developer days, server costs, social media costs, input/research questions for build and the launch of the Parent Ping platform.

[IMPACTED LIMITED](#)

(£15,000 awarded in 2020)

ImpactEd is developing England first teacher-led evidence and action-research platform to help teachers and school leaders identify what is working best in their context and on more than grades alone.

In 2020, we funded ImpactEd to perform student-focused research on the effects COVID and lockdown had on pupil wellbeing.

[HEADS UP \(via InspirEDucate\)](#)

(£24,900 awarded in 2020)

InspirEDucate is a network of diverse Head Teachers across the country who are supported, and support each other, to adopt new approaches and mindsets to try in their schools. InspirEDucate seeks to create and support a network of school and trust leaders who seek and gain support from each other, especially where they are operating in challenging contexts that do not encourage thinking outside of the box.

In 2020, Big Change funded 6 months of staff time to codify and expand offer to head teachers.

[CENTRE FOR PLACE BASED TRANSFORMATION \(via Right to Succeed\)](#)

(£38,666 awarded in 2020)

Right to Succeed is a youth organization that exists to equip every child with the skills, wellbeing and access to opportunity to thrive from childhood to adulthood.

Big Change supported the staff costs associated with setting up the Centre for Place Based Transformation, a new approach to place-based community projects, demonstrating the power and value of place based change and local learning ecosystems through both targeted, locally-led pilots and unlocking political will and funding at a government level to adopt an approach the place-based work that blends private, public and philanthropic involvement.

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SHiFT UK (formerly Whatever it Takes)

(£17,500 awarded in 2020)

SHiFT exists to break the destructive cycle of offending behaviours in children enabling them to enjoy lives of choice and opportunity. SHiFT's model offers a radical blueprint for challenging the way services are designed and delivered that will produce dramatically improved outcomes at significantly lower costs.

Big Change funded the activities that will generate the impact, evidence and learning that would help SHiFT's approach scale across the sector.

COMMUNICOLOUR (formerly ICE, via the Wellspring Academy Trust)

(£30,000 awarded in 2020)

Communicolour will provide a pathway direct from school into post-16 skills and work-based training to foster cohorts of creatives, entrepreneurs and tradespeople who will attract prosperity to their communities while also adding tangible value to the community and built environment; contributing to the world around them while gaining the skills, attitudes, experiences and dispositions they need to secure their own long-term prospects as economically active, contributing citizens.

In 2020, Big Change funded the salary of a Program Director to get the program up and running.

EDUCATION EXCHANGE (via the Chartered College of Teaching)

(£95,000 awarded in 2020)

The Education Exchange is an innovative, one-stop digital hub to support teachers in a changing world, free for all teachers internationally to sign up to and use, providing a trusted, independent, single place to go that provides up-to-date information, recognised professional learning, opportunities for discussion, collaboration and reflection, and signposting to the best resources available around the world.

In 2020, Big Change funded the staff time required to complete the build of the platform.

THE RELATIONSHIPS FOUNDATION

(£28,000 awarded in 2020)

The Relationships Foundation is the think tank for a better-connected society. It was set up 25 years ago to develop relational thinking and engage with policy makers. We believe that a good society is built on good relationships, from family and community to public service and business.

In 2020, we funded research to understand the experiences of parents, teachers and young people during lockdown.

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INSTITUTE FOR PUBLIC POLICY RESEARCH (IPPR)

(£2,500 awarded in 2020)

IPPR, the UK's leading progressive thinktank, working in partnership with the City of London and Parentkind, published the research report *"The 'new normal': The future of education after Covid-19"*, released in October 2020. The report highlights three areas where the pandemic has the potential to open up new conversations about the future of schooling and highlighted a number of policy asks of government; it was covered by BBC News and over 180 online news sources.

2019 Cohort

LIGHTHOUSE (via Catch-22 Charity Ltd.)

(£35,000 awarded in 2020 from 2019 grant of £154,000)

Lighthouse will ensure that care leavers are viewed as an asset rather than a cost to society. They believe that residential care should be seen as an opportunity for the young person placed in it, not a failure, and aim to make a big change for children in care with a brand-new kind of children's home based on successful German and Danish methods of practice.

Big Change funded the full-time salaries of a Head of Influence and Impact and a Partnerships Manager for 2 years.

REKINDLE SCHOOL

(£27,000 awarded in 2020 from 2019 grant of £49,700)

Rekindle is a supplementary school for 13-16 year-olds in South Manchester, at risk of mainstream and school exclusion, those struggling with motivation at school, or whose families are struggling to provide support. It offers a wraparound programme of learning, support, mentoring, business engagement, topical masterclasses and career development.

Big Change has provided the seed funding to cover the core costs associated with setting up the program.

EASYPEASY (via Character Counts)

(£24,418 awarded in 2020 from 2019 grant of £48,835)

Big Change funded time for the CEO and Head of Partnerships to do external relations and advocacy work related to securing more provision for the Early Years sector as a whole.

IMPACTED LIMITED

(£45,000 awarded in 2020 from 2019 grant of £120,000)

Big Change funded the core salary costs associated with delivering across 3 workstreams: testing and experimentation, building a coalition, and sector learning and dissemination.

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BIG LEADERSHIP ADVENTURE (via Big Education Trust)

(£56,823 awarded in 2020 from 2019 grant of £141,000)

The Big Leadership Adventure is a two year, deliberately different, leadership programme for leaders in schools and social enterprises, who are ready to think more expansively about the challenges faced in the education sector. They work to empower, enable and inspire the leadership required for a holistic education of the Head (academics), Heart (character and wellbeing) and Hand (creativity and making a difference).

Big Change funded staff costs associated with the delivery of the first 2 cohorts.

THE DIFFERENCE

(£91,500 awarded in 2020 from 2019 grant of £180,000)

The Difference creates a new generation of leaders able to deliver the best education to the most vulnerable children. The Difference Leaders program is a professional development and leadership route through the teaching profession to train exceptional teachers as mental health specialists.

Big Change funded the staff costs associated with implementing their new 3-year strategy focused on people, policy and practice.

2018 Cohort

ORACY NETWORK (via Voice 21)

(£17,500 awarded in 2020 from 2018 grant of £39,500)

In 2016 the English Speaking Union and Voice 21 launched the Oracy Network which seeks to raise the profile of oracy in schools across the UK.

Big Change funded the first ever oracy APPG – including the hire of a skilled project manager with extensive APPG experience.

4. Financial Review

Operating budget and grant making

We are grateful to Virgin Unite, Joann McPike and the Strive Catalyst Circle for supporting Big Change operating expenditure in 2020. Their grants covered the majority of operating expenditure, which totalled £647,335 (this includes staff costs, core costs, and other overheads but excludes grants, trading company costs, donations in kind, and direct charitable spend).

During the course of the year Big Change received in-kind donations amounting to £162,566 (2019: £192,415). The Trustees would like to thank Virgin Management Limited for providing donations in-kind of office space, IT support and professional services such as finance and taxation advice;

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and Arnold & Porter Kaye Scholer LLP for providing extensive pro bono legal support via Thomson Reuters' Trust Law service.

During the year the cost of charitable activities was £1,483,786 (2019: £1,332,841). This includes direct grants to institutions and research totalling £893,159 (2019: £690,313) as highlighted in Section 3, Our Impact.

For the 12-month period ending 31 December 2020, costs exceeded income by £504,239 (2019: income exceeded costs by £336,258). Total income, including STRIVE events, was £1,199,038 (2019: £2,240,892) which comprised mainly charitable donations of £1,190,236 (2019: £1,866,197). Consolidated unrestricted reserves decreased during the period to £2,398,428 (2019: £2,902,667).

Going concern and reserves policy

The Board of Trustees are of the opinion that, despite the COVID-19 pandemic and its implications on short and long-term fundraising, Big Change Charitable Trust has adequate resources to continue in operational existence for the foreseeable future. The Board of Trustees have identified no material uncertainties that cast significant doubt about the Big Change Charitable Trust to continue as a going concern.

At 31 December 2020, the Trustees' reserves policy is that Big Change should retain in the form of either cash or contracted income, at all times, (a) at least 12 months of working capital based on predicted known operating costs, and (b) the total amount allocated to current project partners through grant agreements. The Trustees have judged this level as appropriate given Big Change's liabilities, assets, and staffing structure. It is also appropriate given our two-yearly fundraising cycle.

At the end of 2020, Big Change held £1,034,872 in reserves to account for £184,872 in designated project grants and £850,000 in projected operating costs. Our projected grant making over the next three years is accounted for separately in respect of our reserves policy and will be covered by income raised from our community of supporters.

5. Grant making policy

Trustees approve all grants at the Trustee meetings that take place throughout the year (one every quarter) and grant applications must be approved by all Trustees to be successful. In anticipation of these meetings, an initial assessment and due diligence is undertaken by key management and operational personnel prior to the preparation of an assessment report for consideration by the Trustees in advance of the meeting.

1. Initial application

Applicants submit an initial one-page grant proposal and if management team agree, ask proposers to submit an expanded grant proposal.

2. Due Diligence and Assessment Report

Management will identify the Applicant and whether it is appropriate for Big Change to be involved with this Applicant through:

- an assessment of compliance with applicable laws and regulations, track record, charitable status etc; and
- a review of information in the public domain (e.g. applicant's website, Companies House, Charity Commission website, online news sources) to check for any environmental, social, business integrity, reputational or legal controversy relating to the Applicant.

Management then:

- assesses whether the Applicant can deliver what it promises to;
- analyses the proposed investment/project and its potential impact, outline any concerns;
- identifies associated risks and mitigation options; and
- prepares a report containing all relevant information for consideration by the Trustees.

3. Grant decision

The assessment report is sent to Trustees for contemplation in advance of the meeting at which they are considering the grant applications. At the meeting, the Trustees analyse the grant based on all of the relevant elements of the report and, if appropriate, approve the grant during the meeting.

4. Monitoring after approval and payment of the grant, Big Change management:

- follows up with the applicant according to the agreed reporting schedule and flags up any issues, new risks or variations from the project plan;
- records and reports impact of the grant; and
- confirms funds have been used as intended.

6. Related party transactions

In all instances where Big Change is potentially involved in a related party transaction, Trustees ensure that we not only act in the best interests of the charity by checking costs against the market but where applicable, also ensuring that Big Change is not licensing rights for less than their market rate. Details of the related party transactions are in note 9 to the accounts.

All Trustees and Staff are required to declare any conflicts of interest on an ongoing basis. When a conflict of interest is discovered or brought to the attention of the Leadership Team (LT) it is added to the Conflict of Interest register and then forwarded to the Chair of the Big Change Board of Trustees for consideration. The Chair then consults with his fellow Trustees and provides guidance and/or a mitigation strategy to the LT.

7. Structure, governance & management

The organisation is a charitable company limited by guarantee, incorporated on 22 June 2011, and registered as a charity on 23 December 2011.

The organisation was established under a memorandum of association, as amended by special resolutions on 10 December 2011 and 21 December 2011, which established the objects and powers of the organisation and is governed under its articles of association.

All Trustees give their time voluntarily and receive no benefits from the charity. No Trustees were reimbursed for any expenses incurred during the year. The Board of Trustees meet at least three times a year and the Charity is empowered to delegate its powers to the Committees of Trustees.

Typically, the charity's senior management team is present at the meetings of the Board of Trustees and, when appropriate, the Chair of the Board of Trustees is in regular contact with senior management. Day-to-day decisions are made by senior management and where necessary referred to the Board of Trustees for approval.

8. The appointment and recruitment of Trustees

The Trustees are responsible for the recruitment of new Trustees, which they carry out in light of the existing balance of skills and experiences of the Board. Before their appointment, all new Trustees attend an induction programme in order for them to properly undertake and fulfil their responsibilities to the Charity. The induction process ensures new Trustees meet existing Trustees and members of the Senior Management team.

9. Objectives and activities

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Trust's objects are:

- a) the promotion of participation in healthy recreation in particular by the provision of facilities for the playing of sports;

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- b) to assist in such ways as the charity Trustees think fit any charity whose aims include advancing education of persons under the age of 25 years by developing their mental, physical and moral capabilities through leisure time activities;
- c) to advance in life and help young people especially but not exclusively through:
 - i. the provision of recreational and leisure time activities provided in the interest of social welfare, designed to improve their conditions of life; and
 - ii. providing support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature and responsible individuals;
- d) to act as a resource for young people up to the age of 25 years by providing advice and assistance and organising programmes of physical, educational and other activities as a means of:
 - i. advancing in life and helping young people by developing their skills, capacities and capabilities to enable them to participate in society as independent, mature and responsible individuals;
 - ii. advancing education;
 - iii. relieving unemployment; and
 - iv. providing recreational and leisure time activity in the interests of social welfare for people living in the area of benefit who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such persons;
- e) to assist in the treatment and care of persons suffering from mental or physical illness of any description or in need of rehabilitation as a result of such illness, by the provision of facilities for work and recreation and through the provision of financial assistance, support, education and practical advice;
- f) the relief and assistance of people in any part of the world who are the victims of war or natural disaster, trouble, or catastrophe; and
- g) such charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the Trustees may from time to time determine.

10. Risk management

The Trustees regularly discuss and review the key risks to the charity and identify mitigation strategies during their Trustee meetings. The Trustees are satisfied that the key risks to the organisation are mitigated during the current year. Below is a list of the principle risks or uncertainties that management and Trustees have identified, along with info on how the organisation is managing them:

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Big Change recognises our key risks and mitigation actions as follows:

Risk	Mitigating action
1.1 – Financial: The Covid pandemic impacts the organisation's ability to raise funds in the short and long-term.	<ul style="list-style-type: none">• Adapting expenditure approach to compensate for lost revenue;• Adjusting fundraising approach to seize opportunities presented by the crisis.
1.2 – Reputational: Big Change receives donations from a number of donors and there is a risk of receiving funds from inappropriate sources.	<ul style="list-style-type: none">• Ensure that adequate due diligence is carried out on all potential big gift donors;• Maintain clear paper trails for all donations received.
1.3 – Charitable: Big Change grants funds to a number of different organisations and there is a risk that money is spent inappropriately	<ul style="list-style-type: none">• Management team to keep in regular contact with grantees;• Ensure that grantees are reporting back to Big Change per grant agreements.

The Trustees are satisfied that the key risks to the organisation are identified and that appropriate strategies are in place to manage them in the current year.

Statement on fundraising practice

The Trust does not use professional fundraisers or commercial participators to raise funds. The Trust nevertheless observes and complies with the relevant fundraising regulations and codes. During the year there was no non-compliance of these regulations (2019: none) and codes and the Trust received no complaints (2019: none) relating to its fundraising practice.

11. Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the Trustees wish. During the year to 31 December 2019 the organisation adopted an Investment Policy (housed within Big Change's Treasury Management Policy) that, once ratified by the Trustees, was used to guide the investment of operational reserves with the organisation's nominated investment management firm. The policy includes general provisions, as well as the organisation's investment objectives, attitude towards risk, ethical investment priorities, and management reporting and approval processes. Additional financial details can be found in Note 11 of the annual accounts.

During the year to 31 December 2020 the charity's portfolio returned performance of 3.6% net of all fees, costs and charges. This contrasts with the return from the ARC PCI GBP Cautious index which returned 4.2%, again net of fees, costs, and charges. This shows we are slightly behind the ARC index for the short term but are still meeting the investment objective in the longer term to outperform the relevant index.

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The COVID-19 crisis, and resulting shock on global markets, has impacted the charity's investments. However, at date of signing the total portfolio value, net of fees, costs, and charges, is greater than at inception.

12. Remuneration policy

The management team comprise the key management personnel of the charity, in charge of directing and controlling, running and operating the charity on a day to day basis. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. The charity benchmarks against pay levels in other similar organisations. All pay raises, as well as bonuses, are determined by the Board of Trustees after a formal end-of-year evaluation. Consensus must be reached before any pay rise or other form of compensation is awarded.

13. Statement of responsibilities of the Trustees

The Trustees (who are also directors of Big 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 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Big Change Charitable Trust

Trustees' annual report

For the year ended 31 December 2020

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- 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 auditor is 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.

The Trustees' annual report has been approved by the Trustees on 5 July 2021 and signed on their behalf by:

P Nevin
Chair of Trustees

D Scott
Trustee

Independent auditor's report

To the members of

Big Change Charitable Trust

Opinion

We have audited the financial statements of Big Change Charitable Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2020 and of the group's 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 Trust'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.

Independent auditor's report

To the members of

Big Change Charitable Trust

Other Information

The other information comprises the information included in the trustees' annual report other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. 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.

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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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 directors 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' annual report and from the requirement to prepare a strategic report.

Independent auditor's report

To the members of

Big Change Charitable Trust

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the board of trustees, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

Independent auditor's report

To the members of

Big Change Charitable Trust

- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those 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. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available 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 charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.

Independent auditor's report

To the members of

Big Change Charitable Trust

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Noelia Serrano (Senior statutory auditor)

8 July 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Big Change Charitable Trust

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2020

	Note	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Income from:							
Donations and legacies	2	1,097,736	92,500	1,190,236	1,726,197	140,000	1,866,197
Other trading activities	3	-	-	-	363,394	-	363,394
Investments		8,802	-	8,802	11,301	-	11,301
Total income		1,106,538	92,500	1,199,038	2,100,892	140,000	2,240,892
Expenditure on:							
Raising funds							
Cost of fundraising		246,633	-	246,633	288,216	-	288,216
Costs of trading		3,083	-	3,083	348,239	-	348,239
Charitable activities							
Impact		866,621	92,500	959,121	638,934	122,500	761,434
Community		335,492	-	335,492	322,305	-	322,305
System		189,173	-	189,173	249,102	-	249,102
Total expenditure	4a	1,641,002	92,500	1,733,502	1,846,796	122,500	1,969,296
Net (expenditure)/income before net gains on investments		(534,464)	-	(534,464)	254,096	17,500	271,596
Net gains on investments		30,225	-	30,225	64,662	-	64,662
Net (expenditure)/income for the year	6	(504,239)	-	(504,239)	318,758	17,500	336,258
Net movement in funds		(504,239)	-	(504,239)	318,758	17,500	336,258
Reconciliation of funds:							
Total funds brought forward		2,902,667	17,500	2,920,167	2,583,909	-	2,583,909
Total funds carried forward		2,398,428	17,500	2,415,928	2,902,667	17,500	2,920,167

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 17 to the financial statements.

Big Change Charitable Trust

Balance sheets

Company no. 07679479

As at 31 December 2020

	Note	The group		The charity	
		2020 £	2019 £	2020 £	2019 £
Fixed assets:					
Investments	11	768,280	741,072	768,281	741,073
		768,280	741,072	768,281	741,073
Current assets:					
Debtors	13	76,745	515,054	8,842	523,933
Short term cash deposit		1,318,298	897,975	1,318,298	897,975
Cash at bank and in hand		512,485	813,735	408,751	775,259
		1,907,528	2,226,764	1,735,891	2,197,167
Liabilities:					
Creditors: amounts falling due within one year	14	259,880	47,669	85,883	19,444
		1,647,648	2,179,095	1,650,007	2,177,723
Net current assets		1,647,648	2,179,095	1,650,007	2,177,723
Total net assets	16a	2,415,928	2,920,167	2,418,289	2,918,796
Funds:	17a				
Restricted income funds		17,500	17,500	17,500	17,500
Unrestricted income funds:					
General funds		2,278,844	2,419,600	2,281,205	2,418,229
Designated funds		119,584	483,067	119,584	483,067
Total unrestricted funds		2,398,428	2,902,667	2,400,789	2,901,296
Total funds		2,415,928	2,920,167	2,418,289	2,918,796

Approved by the Trustees on 5 July 2021 and signed on their behalf by

P Nevin
Chair of Trustees

D. Scott
Trustee

Big Change Charitable Trust

Consolidated statement of cash flows

For the year ended 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
Cash flows from operating activities					
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(504,239)		336,258	
(Gains) on investments	11	(30,225)		(64,662)	
Dividends, interest and rent from investments	11	(8,802)		(11,301)	
Decrease/(increase) in debtors	13	438,309		(365,791)	
Increase/(decrease) in creditors	14	212,211		(135,372)	
Net cash provided by / (used in) operating activities			107,255		(240,868)
Cash flows from investing activities:					
Proceeds from sale of investments	11	219,551		120,695	
Purchase of investments	11	(280,862)		(99,712)	
Dividends, interest and rent from investments	11	8,802		11,301	
Movement within cash held by investment managers	11	64,328		(20,066)	
Short term cash deposits		(420,323)		(897,975)	
Net cash (used in) investing activities			(408,504)		(885,757)
Change in cash and cash equivalents in the year			(301,250)		(1,126,625)
Cash and cash equivalents at the beginning of the year			813,735		1,940,360
Cash and cash equivalents at the end of the year			512,485		813,735

1 Accounting policies

a) Statutory information

Big Change Charitable Trust is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 7 Savoy Court, London, WC2R 0EX.

b) 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 accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Big Change Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

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

d) Going concern

The Board of Trustees are of the opinion that, despite the COVID-19 pandemic and its implications on short and long-term fundraising, Big Change Charitable Trust has adequate resources to continue in operational existence for the foreseeable future. The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. See Page 11 of Annual Report for further detail.

e) Income

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

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

g) 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.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

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

Designated funds are defined as grant payments the charity is reasonably certain will be paid to grantees (as per the payment schedule) prior to the date of the signing of the accounts.

i) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose and also includes investment management costs.
- Expenditure on charitable activities includes the costs of grants made and staff time spent to further the purposes of the charity and their associated support costs.

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

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

1 Accounting policies (continued)

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- Fundraising 50%
- Charitable activities 50%

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £3,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

m) Investments in subsidiaries

Investments in subsidiaries are at cost.

Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Debtors

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

o) 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.

p) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

q) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2020

2 Income from donations and legacies

	Unrestricted £	Restricted £	2020 Total £	Unrestricted £	Restricted £	2019 Total £
Donated services	162,566	–	162,566	192,415	–	192,415
Charitable Donations	935,170	92,500	1,027,670	1,533,782	140,000	1,673,782
	<u>1,097,736</u>	<u>92,500</u>	<u>1,190,236</u>	<u>1,726,197</u>	<u>140,000</u>	<u>1,866,197</u>

The donated goods and services consisted of (1) accountancy, taxation, legal support and free rent provided by Virgin Management Limited throughout the period; (2) pro bono legal services provided by Arnold and Porter Kaye Scholer LLP.

3 Income from other trading activities

	2020 Total £	2019 Total £
Sponsorship (events inc. STRIVE)	–	32,000
Entry Fees (events inc. STRIVE)	–	323,184
Other	–	8,210
	<u>–</u>	<u>363,394</u>

All income from other trading activities is unrestricted.

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2020

4a Analysis of expenditure (current year)

	Charitable activities				Governance costs £	Support costs £	2020 Total £	2019 Total £
	Cost of raising funds £	Impact £	Community £	System £				
Staff costs (Note 7)	77,205	146,243	196,080	70,101	47,436	66,183	603,248	518,872
Events – Cost of trading	3,083	–	–	–	–	–	3,083	348,239
Marketing	2,387	717	717	717	–	239	4,777	53,252
Research and Content	–	66,451	66,451	66,451	–	–	199,353	228,987
Office and Premises costs	–	–	–	–	–	128,129	128,129	154,365
General Expenses	381	–	–	–	–	35,971	36,352	59,889
Staff travel and entertainment	–	–	–	–	–	–	–	11,700
Office & Premises costs	–	–	–	–	–	–	–	40,653
Legal and Professional	–	–	–	–	–	2,958	2,958	25,105
Investment Management Fees	11,819	–	–	–	–	–	11,819	12,217
Legal and Professional	–	–	20,340	–	30,513	–	50,853	56,060
Tax payable by subsidiaries	(876)	–	–	–	–	–	(876)	(1,370)
Grants awarded (note 5)	–	693,806	–	–	–	–	693,806	461,326
	93,999	907,217	283,588	137,269	77,949	233,480	1,733,502	1,969,296
Support costs	116,741	38,913	38,913	38,913	–	(233,480)	–	–
Governance costs	38,976	12,991	12,991	12,991	(77,949)	–	–	–
Total expenditure 2020	249,716	959,121	335,492	189,173	–	–	1,733,502	
Total expenditure 2019	636,455	761,434	322,305	249,102	–	–		1,969,296

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2020

4b Analysis of expenditure (prior year)

	Charitable activities				Governance costs £	Support costs £	2019 Total £
	Cost of raising funds £	Impact £	Community £	System £			
Staff costs (Note 7)	49,298	147,882	147,655	66,026	39,067	68,944	518,872
Events – Cost of trading	348,239	-	-	-	-	-	348,239
Marketing	-	-	-	-	-	53,252	53,252
Research and Content	-	76,329	76,329	76,329	-	-	228,987
Office and Premises costs	-	-	-	-	-	154,365	154,365
General Expenses	-	-	-	-	-	59,509	59,509
Fundraising	-	-	-	-	-	11,700	11,700
Insights and Activation Support	-	-	-	30,850	-	9,803	40,653
Staff travel and entertainment	-	-	-	-	-	25,105	25,105
Investment Management Fees	12,217	-	-	-	-	-	12,217
Legal and Professional	-	-	22,424	-	33,636	-	56,060
Grants awarded (note 5)	-	461,326	-	-	-	-	461,326
Tax payable by subsidiaries	(1,370)	-	-	-	-	-	(1,370)
Trustee Insurance	381	-	-	-	-	-	381
	408,765	685,537	246,408	173,205	72,703	382,678	1,969,296
Support costs	191,338	63,780	63,780	63,780	-	(382,678)	-
Governance costs	36,352	12,117	12,117	12,117	(72,703)	-	-
Total expenditure 2020	636,455	761,434	322,305	249,102	-	-	1,969,296

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2020

5	Grant making (current year)	2020 £	2019 £
	Voice 21 via School 21 Foundation	17,500	-
	Institute For Public Policy Research	2,500	-
	Parent Ping via Education Intelligence	40,000	-
	SHiFT UK (formerly Whatever it Takes)	17,500	-
	The Relationships Foundation	28,000	-
	The Difference	91,500	113,500
	Education Exchange via The Chartered College Of Teaching	95,000	-
	Tranquiliti	50,000	-
	Communicolour (formerly ICE, via Wellspring Academy Trust)	30,000	-
	The Communication Trust via I Can Charity	-	29,608
	Centre for Place Based Transformation via Right to Succeed	38,666	-
	EasyPeasy via Character Counts	54,418	24,418
	HeadsUp via InspirEDucate	24,900	-
	Big Education Conversation via Whole Education	-	100,000
	ImpactEd Limited	60,000	45,000
	Rekindle School (via Northern Soul Consultancy)	27,000	22,700
	Lighthouse (via Catch-22 Charity Ltd.)	35,000	42,000
	Big Leadership Adventure (via Big Education Trust)	56,823	-
	Learning from Lockdown (via Big Education Trust)	25,000	84,100
	Total	693,806	461,326
	Reconciliation of movements in grant creditors	2020 £	2019 £
	Brought forward grant creditor	-	87,796
	Add: Grants awarded in the year	693,806	461,326
	Less: Grants paid in the year	(666,306)	(549,122)
	Carried forward grant creditor (note 14)	27,500	-
6	Net (outgoing) / incoming resources for the year		
	This is stated after charging:	2020 £	2019 £
	Trustees' indemnity insurance	381	381
	Auditor's remuneration (excluding VAT):		
	Audit	6,700	6,700
	Audit – under accrual from prior year	840	2,490

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2020

7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	520,556	449,076
Social security costs	59,071	50,586
Pension contributions	23,621	19,210
	<u>603,248</u>	<u>518,872</u>

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2020 No.	2019 No.
£60,000 – £69,999	1	–
£70,000 – £79,999	1	2
£80,000 – £89,999	2	–
£90,000 – £99,999	–	1

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £103,772 (2019: £108,473).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2019: £296) incurred by 0 (2019: 2) members relating to attendance at meetings of the trustees.

8 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2020 No.	2019 No.
Cost of Raising funds	2.0	2.0
Impact	1.0	1.0
Community	2.0	2.0
System	2.0	1.5
Governance and Support	2.0	2.0
	<u>9.0</u>	<u>8.5</u>

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2020

9 Related party transactions

During the year legal fees of £nil (Trust; 2019 £2,174) and £nil (Trading; 2019 £939) were paid to Harbottle and Lewis LLP in respect of legal services provided to the charity in connection with secretarial duties. David Scott is a trustee of the charity and a partner in Harbottle and Lewis LLP. Harbottle and Lewis LLP do not charge for the time David spends providing services as a trustee. At 31 December 2020 there were no amounts outstanding between the charity and Harbottle and Lewis LLP.

Virgin Management Limited have provided the charity with office space including administrative services at no cost. This has been recognised as a donated service both within income and expenditure, valued at £128,129 (2019: £154,365). During the year H. Branson and D. Gannon (resigned 16 December 2020) were trustees of Big Change and employed by Virgin Management Limited.

Virgin Unite has provided the charity with an unrestricted grant of £230,000 (2019: £325,000) to cover the core costs of the charity. H. Branson is a trustee of Big Change and is Chairperson of Virgin Unite.

During the course of the year, three donations were made to Big Change by its trustees, all in relation to the Strive Weekender event held in June, 2019. P. Nevin donated £500 to the charity, H. Branson donated £5,000 through a donation via the Virgin Unite Foundation and S. Richardson raised £2,085 (inclusive of gift aid) through online donations via the Virgin Money Giving platform.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Big Change Trading Limited distributes available profits under gift aid to the parent charity. Its charge to corporation tax in the year was:

	2020 £	2019 £
(Loss)/Profit on ordinary activities before taxation	(4,608)	11,198
UK corporation tax at 19%	(876)	2,128
Effects of:		
Adjustments in respect to prior year	-	(1,371)
Income not taxable	-	(2,128)
Total tax charge	(876)	(1,371)
Tax on results on ordinary activities	(876)	(1,371)

Recognised deferred tax assets and liabilities

Deferred tax (assets) and liabilities are attributable to the following:

	2020 £	2019 £
Losses	(876)	-
	(876)	-

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2020

10 Taxation (continued)

Deferred Tax (Asset)/Liability	2020
	£
As at 1 January 2020	–
Income statement charge/(credit)	(876)
	<hr/>
As at 31 December 2020	(876)
	<hr/> <hr/>

A change to the main UK corporation tax rate, announced in the Budget on 11 March 2020, was substantively enacted on 17 March 2020. The rate applicable from 1 April 2020 now remains at 19 percent, rather than the previously enacted reduction to 17 percent. Accordingly the deferred tax (asset)/liability as at 31 December 2020 has been calculated at the rate of 19% (2019:17%).

Following the announcement made in the 2021 budget, it is expected that there will be an increase in the rate of UK corporation tax to 25% on 1 April 2023.

11 Investments

	The group		The charity	
	2020	2019	2020	2019
	£	£	£	£
Fair value at the start of the year	741,072	677,327	741,073	677,328
Additions at cost	280,862	99,712	280,862	99,712
Disposal proceeds	(219,551)	(120,695)	(219,551)	(120,695)
Net gain on change in fair value	30,225	64,662	30,225	64,662
Movement within cash held by investment managers	(64,328)	20,066	(64,328)	20,066
Fair value at the end of the year	768,280	741,072	768,281	741,073
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Investments comprise:				
	The group		The charity	
	2020	2019	2020	2019
	£	£	£	£
Unlisted shares in UK registered companies	–	–	1	1
Cash	6,699	71,027	6,699	71,027
Listed investments	761,581	670,045	761,581	670,045
	768,280	741,072	768,281	741,073
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

12 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Big Change Trading Limited, a company registered in England (company number 07998643). The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2020 £	2019 £
Turnover	–	363,394
Administrative expenses	(4,608)	(352,196)
(Loss)/profit on ordinary activities before taxation	(4,608)	11,198
Taxation	876	1,370
(Loss)/profit for the financial year	(3,732)	12,568
Retained earnings		
Retained earnings brought forward	1,370	–
Profit for the financial year	(3,732)	12,568
Distribution under gift aid to parent undertaking	–	(11,198)
Retained earnings carried forward	(2,362)	1,370
The aggregate of the assets, liabilities and funds was:		
Assets	174,637	52,794
Liabilities	(176,998)	(51,423)
Capital and retained earnings	(2,361)	1,371

Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2020 £	2019 £
Gross income	1,190,236	1,877,395
Result for the year	(505,114)	346,086

13 Debtors

	The group		The charity	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	5,500	489,203	5,500	489,203
Prepayments and Other debtors	70,028	25,851	–	11,532
Accrued income	341	–	341	–
Amounts owed by Subsidiary	–	–	3,001	23,199
Deferred tax asset	876	–	–	–
	76,745	515,054	8,842	523,933

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2020

14 Creditors: amounts falling due within one year

	The group		The charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	6,343	10,400	6,257	8,695
Taxation and social security	-	-	-	-
Grant Creditors	27,500	-	27,500	-
Accruals	11,126	37,269	11,126	10,749
Deferred income (note 15)	214,911	-	41,000	-
	259,880	47,669	85,883	19,444

15 Deferred income

	The group		The charity	
	2020	2019	2020	2019
	£	£	£	£
Balance at the beginning of the year	-	-	-	-
Amount released to income in the year	-	-	-	-
Amount deferred in the year	214,911	-	41,000	-
Balance at the end of the year	214,911	-	41,000	-

Deferred income is comprised of event entry fees that have been ported over to the next financial year when the events will take place and then be counted as income.

16a Analysis of group net assets between funds (current year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£	£	£	£
Fixed asset investments	768,280	-	-	768,280
Net current assets	1,510,564	119,584	17,500	1,647,648
Net assets at 31 December 2020	2,278,844	119,584	17,500	2,415,928

16b Analysis of group net assets between funds (prior year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£	£	£	£
Fixed asset investments	741,072	-	-	741,072
Net current assets	1,678,528	483,068	17,500	2,179,095
Net assets at 1 January 2020	2,419,600	483,068	17,500	2,920,167

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2020

17a Movements in funds (current year)

	At 1 January 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2020 £
Restricted Funds	17,500	92,500	(92,500)	–	17,500
General funds	2,419,600	1,136,763	(947,196)	(330,323)	2,278,844
Designated funds	483,067	–	(693,806)	330,323	119,584
Total funds	2,920,167	1,229,263	(1,733,502)	–	2,415,928

The narrative to explain the purpose of each fund is given at the foot of the note below.

Restricted funds: in 2020 Big Change received five separate donations from four donors totalling £92,500 that were restricted to specific projects. £20,000 of the total was allocated to the Tranquiliti project, £32,500 to the Rekindle School project, £10,000 to the EasyPeasy project and £30,000 to the Lighthouse project.

Designated funds are described in the Annual Report on Page 7.

17b Movements in funds (prior year)

	At 1 January 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2019 £
Restricted Funds	–	140,000	(122,500)	–	17,500
General funds	2,471,705	2,165,554	(1,385,470)	(832,189)	2,419,600
Designated funds	112,204	–	(461,326)	832,189	483,067
Total funds	2,583,909	2,305,554	(1,969,296)	–	2,920,167

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.