

Company number: 07679479  
Charity number: 1145224

# Big Change Charitable Trust

Report and financial statements  
For the year ended 31 December 2021

# Big Change Charitable Trust

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## Big Change Charitable Trust

### Reference and administrative information

#### For the year ended 31 December 2021

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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 <span style="float: right;">Chair</span> N. Duri (appointed 6 July 2021) H. K. T. Branson B. J. Hay A. Peacock (appointed 6 July 2021) D. Scott B. York H. Gordon (appointed 1 January 2021; resigned 14 February 2022)	
Key management personnel	Vanessa North Noah Devereux Noah Bernstein	Chief Executive Officer Managing Director (Until 1 December 2021) 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	

# Big Change Charitable Trust

## Trustees' annual report

### For the year ended 31 December 2021

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The Trustees present their report and the audited financial statements for the year ended 31 December 2021.

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.

2021 was a turbulent year. We saw the extraordinary resolve of the team shine through as we continued to operate in a constant state of uncertainty – the viability of in-person events, travel, and income streams. We ended the year with a collective sigh of relief, and a good dose of pride, in how we lent in to this crisis, and emerged stronger because of it. The organisation made the most of the challenges to create opportunities – capitalising on the moment to listen, learn and double down on the need for big change given both the disruption to 'education as normal' and the further exposure of gaps and symptoms that the status quo is failing so many young people.

#### Network & System

The Network and System team continued to build on our approach in working with allies across the sector to drive system change through three connected strands of work:

- The global network and New Education Story publication launched in December;
- The development of Subject to Change as a national project to empower young people and the public to set a new direction for learning; and
- The Big Education Conversation which engaged 25,600 people in June.

Each of these strands of work launched a publication as a platform for change from voices from the top leaders in global education to UK sector partners and the often-underserved voices of young people, parents, teachers, and employers. This work lays a very solid foundation for action and influence in 2022.

#### Development

We are incredibly grateful to the continued backing of some of our most loyal supporters (Strive Catalyst Circle, Joann McPike, Virgin Unite, to name a few) whose long term commitments helped see us through the uncertainty this year when in-person events remained difficult. The team effectively managed the uncertainty to both plan for short term adapted event income (Strive Weekender, Virtual Strive, Strive BVI) while accelerating our work on future income streams. Building on our greatest strengths, our growing credibility in backing pioneers, and our sector-leading work on system change we are engaging new and high-potential audiences. The success of Strive BVI at the end of year – both in terms of short-term fundraising, but also as a much-needed pipeline builder – has been a huge boost as we transition to more diverse income streams.

#### Impact

Following on from the Emergent Needs Fund in 2020, we backed six new projects in 2021, spread across a range of areas where there was both a clear need and opportunity for change (special educational needs; raising the profile and resource of extra-curricular; new models of joined-up leadership; youth-led engagement around measuring wellbeing; developing a long-term plan for UK education; and embedding a new sustainable country-wide curriculum in Wales).

# Big Change Charitable Trust

## Trustees' annual report

### For the year ended 31 December 2021

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We launched these projects while continuing support to our existing projects and conducted an impact review which revealed that, to date, Big Change projects have impacted the lives of 2.8 million young people across the UK. We continue to stay focused on how to build a pipeline of brilliant projects with representative leaders addressing critical challenges. 2022 will see us focus on incentivising change and big ideas through the launch of our Big Change Prize Fund.

Big Change's finances recovered somewhat in 2021, with charitable income up 35% on 2020 to £1.38m, but still below pre-pandemic levels. Expenditure was reigned in to compensate for the reduced forecast income, resulting in a net surplus of £112k before net gains/losses on investments (as compared to a net loss of £534k in 2020). As the giving environment (hopefully) stabilises in 2022, Big Change is expected to significantly increase programme expenditure, most notably in the form of the above mentioned £1m Big Change Prize Fund.

From a governance perspective, we're fortunate to have had two extraordinary new trustees join the Board, Dame Alison Peacock and Nyasha Duri, and hope to build out the Trustees - and Team - further in 2022.

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 **Subject to Change** - we'll build the necessary capacity and support (team, funding and partnerships) for Phases 2 and 3 and guide the effective design and delivery of Phase 2 (setting the strategy and holding the ambition, co-ordinating partners to deliver, ensuring integration between the strands).
- 2 **The Big Change Prize Fund** - we'll refine and implement a systematic, joined up approach to identifying and supporting representative, values aligned pioneers and projects that show a new way is possible.
- 3 **A New Education Story** - we'll activate powerful opportunities for our growing global network of partners and pioneers to lead the global dialogue on the drivers for education system transformation, whilst simultaneously galvanising high-level decision makers (system leaders and funders) to act on these same drivers.

With the world opening up, and the demand for system transformation (not reform) clearer than ever before, 2022 looks to be an exciting year for Big Change, one where a multitude of actors - from teachers to parents to employers and, of course, young people - are coming together to bring about real, lasting change.

Philip Nevin (Chair)

.....  
Date:

## 2. About Big Change

We want to see a society working together so that every young person is set up to thrive in life, not just exams.

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](http://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.

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?

## Big Change Charitable Trust

### Trustees' annual report

#### For the year ended 31 December 2021

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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 2021 grant allocation process, with up to £300,000 in available funding for aligned project partners. The applications needed to score well on the criteria listed above, as well as demonstrate alignment with our 10 Big Hopes for Change in Education.

We solicited applications from a number of people and organisations who were part of our pipeline development and high-quality referral network. 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 £250k available, £234k was allocated to 6 projects over a period of two years. Of this amount, £100k was disbursed in 2021, with the remainder (£134k) designated for 2022.

An additional £172k was disbursed in 2021 to partners from the 2019 and 2020 project cohorts. An additional project, Tranquiliti, from our 2020 cohort, was funded as a specific one-off by one of our funders and was awarded £25k in 2021.

This brings the total of funds distributed to Big Change project partners in 2021 to £296,634 (£100k to new 2021 project partners, the remaining £197k to previous cohorts).

Details of all funded projects are as follows:

#### **2021 Cohort**

##### **CHILDREN'S UNIVERSITY TRUST**

(£19,000 awarded in 2021)

Children's University Trust works in partnership with schools across the UK to develop a love of learning by encouraging participation in quality-assured extracurricular activities in and outside of school.

We supported staff time for the CEO and Head of Comms to engage in advocacy and campaigning work to increase resource, visibility and access for learning outside the classroom.

##### **NO LIMITS (via Gesher Trust)**

(£25,000 awarded in 2021)

Led by Gesher Trust, an established leader in working with children with special educational needs and disabilities, NoLimits will create a new evidence-based model of teaching and learning, and a community of practice for secondary school students that is academically rigorous and showcase it in other SEN learning communities.

We supported the creation of NoLimits by funding Gesher's Director of Rigour, Director of Curation, and Community of Practice Lead to get the group off the ground.

## Big Change Charitable Trust

### Trustees' annual report

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##### CYMBROGI FUTURES

(£21,000 awarded in 2021)

Cymbrogi Futures is a programme in its pilot stage; designing unique learning journeys for both educators and young people to empower them to take on their futures with confidence. Their suite of programmes includes both online and residential programmes (hosted on their natural site) focused on their 'Core Four': sustainability, wellbeing, creative skills and collaboration.

We funded staff time required to get these pilot programs off the ground, including the Program Director and learning designer.

##### JOINED UP (via Reach Foundation)

(£20,000 awarded in 2021)

JoinedUp is collaboration of award-winning and trusted organisations - Frontline, UK Youth, Reach Foundation, and Dixon Academies Trust - that will bring together school leaders, social workers and youth workers to better support disadvantaged children and young people across the UK.

We funded the staff time necessary to facilitate the network building and learning activities that will help identify and seek to address barriers to working in this 'joined up' way, locally and nationally.

##### FOUNDATION FOR EDUCATION DEVELOPMENT

(£5,000 awarded in 2021)

The FED has been set up to address the problem of the short-term nature of education policy. It is an independent organisation that can bring together stakeholders from all sides and sectors to build on the wisdom and experience of policy makers, practitioners, and all interested parties.

Big Change funded a Workstream Director to oversee the delivery of four workstreams, including a vision and purpose for a 10-year plan for education and the structures and governance for this plan, for 12 months.

##### #BEEWELL MANCHESTER (via the University of Manchester)

(£10,000 awarded in 2021)

#BeeWell, a consortium of The University of Manchester and the Anna Freud Centre, in partnership with the Greater Manchester Combined Authority, will oversee the delivery of an annual survey, co-created with young people, to assess the wellbeing (and the factors that influence wellbeing) of young people in Years 8 to 10 in up to 250 secondary schools across Greater Manchester over three academic years.

Big Change contributed £20,000 to pot of funding that will be the commissioning budget for #BeeWell's young commissioners, who will use the survey results to commission work to improve wellbeing outcomes.

##### TRANQUILITI

(£25,000 awarded in 2021)

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 2021, via a specific donation from a Foundation tied to Tranquiliti, we supported the founders' time, plus development costs, to roll out the pilot of this service.



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##### *2020 Cohort*

##### **CENTRE FOR PLACE BASED TRANSFORMATION (via Right to Succeed)**

(£19,334 awarded in 2021 from 2020 grant of £58,000)

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.

##### **SHiFT UK (formerly Whatever it Takes)**

(£12,500 awarded in 2021 from 2020 grant of £30,000)

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.

##### **PARENT PING (via Education Intelligence)**

(£2,800 awarded in 2021)

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 2021, Big Change topped up Parent Ping's original grant (£40,000 in 2020) to cover the reporting costs for the pilot of an in-school research and recruitment program of parents of secondary school children.

##### *2019 Cohort*

##### **LIGHTHOUSE (via Catch-22 Charity Ltd.)**

(£77,000 awarded in 2021 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**

(£30,000 top up awarded in 2021, following on 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.

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#### IMPACTED LIMITED

(£30,000 awarded in 2021, from 2019 grant of £120,000)

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.

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

#### 4. Financial Review

##### Operating budget and grant making

We are grateful to Virgin Unite, the Greenslade Family Foundation, and our Catalyst Circle members for supporting Big Change operating expenditure in 2021. Their grants covered the majority of operating expenditure, which totalled £687,364 (which includes staff costs, general expenses and other overhead costs).

During the course of the year Big Change received in-kind donations amounting to £144,799 (2020: £162,566). 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; 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 £1,375,128 (2020: £1,483,786). This includes direct grants to institutions and research totalling £678,450 (2020: £893,159) as highlighted in Section 3, Our Impact.

For the 12-month period ending 31 December 2021, income (before net gains/losses on investments) exceeded costs by £116,324 (2020: costs exceeded income (before net gains/losses on investments) by £534,464). Total income, including trading income and in-kind donations, was £2,178,984 (2020: £1,199,038) which comprised mainly charitable donations (including in-kind donations) of £1,527,512 (2020: £1,190,236). Consolidated unrestricted reserves increased during the period to £2,609,378 (2020: £2,398,428).

##### 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 2021, 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 2021, Big Change held £1,090,000 in reserves to account for designated project grants and 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.

# Big Change Charitable Trust

## Trustees' annual report

### For the year ended 31 December 2021

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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;
- (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:

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

Risk	Mitigating action
1.1 - <b>Financial</b> : Macro-economic conditions (pandemic, war, recession) impact the organisation's ability to raise funds in the short and long-term.	<ul style="list-style-type: none"><li>• Adapting expenditure approach when necessary to maintain adequate reserves position.</li><li>• Adjusting fundraising approach to seize opportunities as the situation evolves.</li></ul>
1.2 - <b>Reputational</b> : 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"><li>• Ensure that adequate due diligence is carried out on all potential big gift donors;</li><li>• Maintain clear paper trails for all donations received.</li></ul>
1.3 - <b>Charitable</b> : 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"><li>• Management and Impact team to keep in regular contact with grantees;</li><li>• Ensure that grantees are reporting back to Big Change per grant agreements.</li></ul>

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 (2020: none) and codes and the Trust received no complaints (2020: none) relating to its fundraising practice.

# Big Change Charitable Trust

## Trustees' annual report

### For the year ended 31 December 2021

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#### 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 2020 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 2021 the charity's portfolio returned performance of 8.9% 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 ahead of the ARC index for the short term and are meeting the investment objective in the longer term to outperform the relevant index.

The downturn in global markets at the beginning of 2022 has impacted the charity's investments. At the end of July 2022, Big Change's investments have decreased in value by 11% since year end. However, at date of signing the total portfolio value, net of fees, costs, and charges, is greater than at inception, and the Trustees are confident in its further growth over the long-term.

#### 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

## Big Change Charitable Trust

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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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information

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

The Trustees' annual report has been approved by the Trustees on 29 July 2022 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

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#### 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 2021 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 2021 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**

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#### **Other information**

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.

#### **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.

## **Independent auditor's report**

To the members of

### **Big Change Charitable Trust**

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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;
  - 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.

## **Independent auditor's report**

**To the members of**

### **Big Change Charitable Trust**

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- 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](http://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. 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)

Date: 14 September 2022

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 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
<b>Income from:</b>							
Donations and legacies	2	1,220,269	307,243	<b>1,527,512</b>	1,097,736	92,500	1,190,236
Other trading activities	3	601,749	-	<b>601,749</b>	-	-	-
Investments		28,760	-	<b>28,760</b>	8,802	-	8,802
Other incoming resources		20,963	-	<b>20,963</b>	-	-	-
<b>Total income</b>		<b>1,871,741</b>	<b>307,243</b>	<b>2,178,984</b>	<b>1,106,538</b>	<b>92,500</b>	<b>1,199,038</b>
<b>Expenditure on:</b>							
Raising funds							
Cost of fundraising		173,276	-	<b>173,276</b>	246,633	-	246,633
Costs of trading		514,256	-	<b>514,256</b>	3,083	-	3,083
Charitable activities							
Impact		544,911	136,656	<b>681,567</b>	866,621	92,500	959,121
Community		336,906	72,657	<b>409,563</b>	335,492	-	335,492
System		211,341	72,657	<b>283,998</b>	189,173	-	189,173
<b>Total expenditure</b>	4a	<b>1,780,690</b>	<b>281,970</b>	<b>2,062,660</b>	<b>1,641,002</b>	<b>92,500</b>	<b>1,733,502</b>
Net income/(expenditure) before net gains/(losses) on investments		91,051	25,273	<b>116,324</b>	(534,464)	-	(534,464)
Net gains on investments		89,399	-	<b>89,399</b>	30,225	-	30,225
<b>Net income/(expenditure) for the year</b>	6	<b>180,450</b>	<b>25,273</b>	<b>205,723</b>	<b>(504,239)</b>	<b>-</b>	<b>(504,239)</b>
Transfers between funds		30,500	(30,500)	-	-	-	-
<b>Net movement in funds</b>		<b>210,950</b>	<b>(5,227)</b>	<b>205,723</b>	<b>(504,239)</b>	<b>-</b>	<b>(504,239)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		2,398,428	17,500	<b>2,415,928</b>	2,902,667	17,500	2,920,167
<b>Total funds carried forward</b>		<b>2,609,378</b>	<b>12,273</b>	<b>2,621,651</b>	<b>2,398,428</b>	<b>17,500</b>	<b>2,415,928</b>

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 2021

	Note	The group		The charity	
		2021	2020	2021	2020
		£	£	£	£
<b>Fixed assets:</b>					
Investments	11	1,103,212	768,280	1,103,213	768,281
		<u>1,103,212</u>	<u>768,280</u>	<u>1,103,213</u>	<u>768,281</u>
<b>Current assets:</b>					
Debtors	13	91,969	76,745	105,201	8,842
Short term cash deposit		1,083,415	1,318,298	1,083,415	1,318,298
Cash at bank and in hand		782,320	512,485	379,246	408,751
		<u>1,957,704</u>	<u>1,907,528</u>	<u>1,567,862</u>	<u>1,735,891</u>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	14	439,265	259,880	50,795	85,883
		<u>439,265</u>	<u>259,880</u>	<u>50,795</u>	<u>85,883</u>
<b>Net current assets</b>		<u>1,518,439</u>	<u>1,647,648</u>	<u>1,517,067</u>	<u>1,650,007</u>
<b>Total net assets</b>	16a	<u>2,621,651</u>	<u>2,415,928</u>	<u>2,620,280</u>	<u>2,418,289</u>
<b>Funds:</b>					
Restricted income funds	17a	12,273	17,500	12,273	17,500
Unrestricted income funds:					
General funds		2,474,007	2,281,206	2,474,007	2,281,205
Non-charitable trading funds		1,371	(2,362)	-	-
Designated funds		134,000	119,584	134,000	119,584
Total unrestricted funds		<u>2,609,378</u>	<u>2,398,428</u>	<u>2,608,007</u>	<u>2,400,789</u>
<b>Total funds</b>		<u>2,621,651</u>	<u>2,415,928</u>	<u>2,620,280</u>	<u>2,418,289</u>

Approved by the Trustees on 29 July 2022 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 2021**

	Note	2021 £	2021 £	2020 £	2020 £
<b>Cash flows from operating activities</b>					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		205,723		(504,239)	
(Gains) on investments	11	(89,399)		(30,225)	
Dividends, interest and rent from investments	11	(28,760)		(8,802)	
(Increase)/decrease in debtors	13	(15,223)		438,309	
Increase in creditors	14	179,385		212,211	
<b>Net cash provided by operating activities</b>			<b>251,725</b>		<b>107,255</b>
<b>Cash flows from investing activities:</b>					
Proceeds from sale of investments	11	213,120		219,551	
Purchase of investments	11	(393,605)		(280,862)	
Dividends, interest and rent from investments	11	28,760		8,802	
Movement within cash held by investment managers	11	(65,048)		64,328	
Decrease/(increase) in short term cash deposits		234,883		(420,323)	
<b>Net cash provided by / (used in) investing activities</b>			<b>18,110</b>		<b>(408,504)</b>
<b>Change in cash and cash equivalents in the year</b>			<b>269,835</b>		<b>(301,250)</b>
Cash and cash equivalents at the beginning of the year			<b>512,485</b>		<b>813,735</b>
<b>Cash and cash equivalents at the end of the year</b>			<b>782,320</b>		<b>512,485</b>

# Big Change Charitable Trust

## Notes to the financial statements

For the year ended 31 December 2021

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### 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 8 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.

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.



**1 Accounting policies (continued)**

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 in line with the proportion of staff time dedicated to fundraising activities.

- Fundraising 20%
- Charitable activities 80%

**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 2021

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#### 2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Donated services	144,799	-	<b>144,799</b>	162,566	-	162,566
Charitable Donations	1,075,470	307,243	<b>1,382,713</b>	935,170	92,500	1,027,670
	<u>1,220,269</u>	<u>307,243</u>	<u><b>1,527,512</b></u>	<u>1,097,736</u>	<u>92,500</u>	<u>1,190,236</u>

The donated goods and services consisted of (1) office space, IT support and professional services such as finance and taxation advice provided by Virgin Management Limited throughout the period; (2) pro bono legal support provided by Arnold and Porter Kaye Scholer LLP via Thomson Reuters' Trust Law service.

#### 3 Income from other trading activities

	2021 Total £	2020 Total £
Entry Fees (events inc. STRIVE)	<u><b>601,749</b></u>	-
	<u><b>601,749</b></u>	-

All income from other trading activities is unrestricted.

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2021

4a Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities					2021 Total £	2020 Total £
		Impact £	Community £	System £	Governance costs £	Support costs £		
Staff costs (Note 7)	77,139	163,682	174,511	62,747	48,474	58,333	<b>584,886</b>	603,248
Events – Cost of trading	514,256	–	–	–	–	–	<b>514,256</b>	3,083
Marketing	10,388	3,116	3,116	3,116	–	1,039	<b>20,775</b>	4,777
Research and Content	–	127,272	127,272	127,272	–	–	<b>381,816</b>	199,353
Office and Premises costs	–	–	–	–	–	124,535	<b>124,535</b>	128,129
General Expenses	586	–	–	–	–	87,653	<b>88,239</b>	36,352
Legal and Professional	–	–	13,801	–	20,702	–	<b>34,503</b>	53,811
Investment Management Fees	16,140	–	–	–	–	–	<b>16,140</b>	11,819
Tax payable by subsidiaries	876	–	–	–	–	–	<b>876</b>	(876)
Grants awarded (note 5)	–	296,634	–	–	–	–	<b>296,634</b>	693,806
	<b>619,385</b>	<b>590,704</b>	<b>318,700</b>	<b>193,135</b>	<b>69,176</b>	<b>271,560</b>	<b>2,062,660</b>	1,733,502
Support costs	54,312	72,416	72,416	72,416	–	(271,560)	–	–
Governance costs	13,835	18,447	18,447	18,447	(69,176)	–	–	–
<b>Total expenditure 2021</b>	<b>687,532</b>	<b>681,567</b>	<b>409,563</b>	<b>283,998</b>	<b>–</b>	<b>–</b>	<b>2,062,660</b>	
Total expenditure 2020	249,716	959,121	335,492	189,173	–	–		1,733,502

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2021

4b Analysis of expenditure (prior year)

	Cost of raising funds £	Charitable activities			Governance costs £	Support costs £	2020 Total £
		Impact £	Community £	System £			
Staff costs (Note 7)	77,205	146,243	196,080	70,101	47,436	66,183	<b>603,248</b>
Events – Cost of trading	3,083	–	–	–	–	–	<b>3,083</b>
Marketing	2,387	717	717	717	–	239	<b>4,777</b>
Research and Content	–	66,451	66,451	66,451	–	–	<b>199,353</b>
Office and Premises costs	–	–	–	–	–	128,129	<b>128,129</b>
General Expenses	381	–	–	–	–	35,971	<b>36,352</b>
Legal and Professional	–	–	–	–	–	2,958	<b>2,958</b>
Investment Management Fees	11,819	–	–	–	–	–	<b>11,819</b>
Legal and Professional	–	–	20,340	–	30,513	–	<b>50,853</b>
Tax payable by subsidiaries	(876)	–	–	–	–	–	<b>(876)</b>
Grants awarded (note 5)	–	693,806	–	–	–	–	<b>693,806</b>
	<u>93,999</u>	<u>907,217</u>	<u>283,588</u>	<u>137,269</u>	<u>77,949</u>	<u>233,480</u>	<b><u>1,733,502</u></b>
<b>Support costs</b>	116,741	38,913	38,913	38,913	–	(233,480)	–
Governance costs	38,976	12,991	12,991	12,991	(77,949)	–	–
<b>Total expenditure 2020</b>	<b><u>249,716</u></b>	<b><u>959,121</u></b>	<b><u>335,492</u></b>	<b><u>189,173</u></b>	<b><u>–</u></b>	<b><u>–</u></b>	<b><u>1,733,502</u></b>

## Big Change Charitable Trust

### Notes to the financial statements

#### For the year ended 31 December 2021

#### 5 Grant making

	2021	2020
	£	£
BeeWell Manchester (via the University of Manchester)	10,000	-
Big Leadership Adventure (via Big Education Trust)	-	56,823
Centre for Place Based Transformation via Right to Succeed	19,334	38,666
Children's University Trust	19,000	-
Communicolour (formally ICE, via Wellspring Academy Trust)	-	30,000
Cymbrogi Futures	21,000	-
EasyPeasy via Character Counts	-	54,417
Education Exchange via The Chartered College of Teaching	-	95,000
Foundation for Education Development	5,000	-
HeadsUp via InspirEDucate	-	24,900
ImpactEd Limited	30,000	60,000
Institute for Public Policy Research	-	2,500
Joined Up (via Reach Foundation)	20,000	-
Learning from Lockdown (via Big Education Trust)	-	25,000
Lighthouse (via Catch-22 Charity Ltd.)	77,000	35,000
No Limits (via Geshar Trust)	25,000	-
Parent Ping (via Education Intelligence)	2,800	40,000
Rekindle School (via Northern Soul Consultancy)	30,000	27,000
SHiFT UK (formerly Whatever it Takes)	12,500	17,500
The Difference	-	91,500
The Relationships Foundation	-	28,000
Tranquiliti	25,000	50,000
Voice 21 via School 21 Foundation	-	17,500
<b>Total</b>	<b>296,634</b>	<b>693,806</b>

	2021	2,020
	£	£
Reconciliation of movements in grant creditors		
Brought forward grant creditor	27,500	-
Add: Grants awarded in the year	296,634	693,806
Less: Grants paid in the year	(299,134)	(666,306)
Carried forward grant creditor (note 14)	25,000	27,500

#### 6 Net incoming/(outgoing) resources for the year

This is stated after charging:

	2021	2,020
	£	£
Trustees' indemnity insurance	586	381
Auditor's remuneration (excluding VAT):		
Audit	7,000	6,700
Audit – under accrual from prior year	-	840

## Big Change Charitable Trust

### Notes to the financial statements

#### For the year ended 31 December 2021

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

Staff costs were as follows:

	2021 £	2,020 £
Salaries and wages	507,573	520,556
Social security costs	54,630	59,071
Pension contributions	22,683	23,621
	<u>584,886</u>	<u>603,248</u>

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

	2021 No.	2020 No.
£60,000 – £69,999	–	1
£70,000 – £79,999	1	1
£80,000 – £89,999	2	2
	<u>2</u>	<u>2</u>

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £285,843 (2020: £293,776).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £nil) incurred by 0 (2020: 0) 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:

	2021 No.	2020 No.
Cost of Raising funds	2.0	2.0
Impact	1.0	1.0
Community	2.0	2.0
System	2.0	2.0
Governance and Support	2.0	2.0
Kickstart	1.3	–
	<u>10.3</u>	<u>9.0</u>

## Big Change Charitable Trust

### Notes to the financial statements

#### For the year ended 31 December 2021

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#### 9 Related party transactions

During the year legal fees of £1,052 (Trust; 2020 £nil) and £685 (Trading; 2020 £nil) 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 2021 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 £138,580 (2020: £128,129). During the year H. Branson and H. Gordon (resigned 14 February 2022) were trustees of Big Change and employed by Virgin Management Limited.

Virgin Unite has provided the charity with an unrestricted grant of £230,000 (2020: £230,000) 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 there were no donations made to Big Change by its trustees (2020: total £7,585)

A total of £394,561 was paid to Virgin Limited Edition (VLE) for exclusive use of Necker Island during the annual Strive event. This was inclusive of a 25% discount, and paid via the Trading account. VLE is a subsidiary of Virgin Management Limited and the balance outstanding from Big Change Trading Limited to VLE at the balance sheet date was £181,226.

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:

	2021 £	2019 £
Profit/(Loss) on ordinary activities before taxation	76,081	(4,608)
UK corporation tax at 19%	14,455	(876)
<b>Effects of:</b>		
Adjustments in respect of prior year	-	-
Income not taxable	(13,579)	-
<b>Total tax charge</b>	<b>876</b>	<b>(876)</b>
<b>Tax on results on ordinary activities</b>	<b>876</b>	<b>(876)</b>

#### Recognised deferred tax assets and liabilities

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

	2021 £	2021 £
Losses	-	(876)
	-	(876)

#### Deferred Tax (Asset)/Liability

	2021 £
As at 1 January 2021	(876)
Income statement charge/(credit)	876
As at 31 December 2021	-

**Big Change Charitable Trust****Notes to the financial statements****For the year ended 31 December 2021****11 Investments**

	<b>The group</b>		<b>The charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fair value at the start of the year	<b>768,280</b>	741,072	<b>768,281</b>	741,073
Additions at cost	<b>393,605</b>	280,862	<b>393,605</b>	280,862
Disposal proceeds	<b>(213,120)</b>	(219,551)	<b>(213,120)</b>	(219,551)
Net gain on change in fair value	<b>89,399</b>	30,225	<b>89,399</b>	30,225
Movement within cash held by investment managers	<b>65,048</b>	(64,328)	<b>65,048</b>	(64,328)
Fair value at the end of the year	<b>1,103,212</b>	768,280	<b>1,103,213</b>	768,281

Investments comprise:

	<b>The group</b>		<b>The charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Unlisted shares in UK registered companies	-	-	<b>1</b>	1
Cash	<b>71,747</b>	6,699	<b>71,747</b>	6,699
Listed investments	<b>1,031,465</b>	761,581	<b>1,031,465</b>	761,581
	<b>1,103,212</b>	768,280	<b>1,103,213</b>	768,281



## Big Change Charitable Trust

### Notes to the financial statements

#### For the year ended 31 December 2021

#### 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:

	2021 £	2020 £
Turnover	601,749	-
Cost of Sales	(525,668)	(4,608)
Profit/(loss) on ordinary activities before taxation	76,081	(4,608)
Taxation	(876)	876
Profit/(loss) for the financial year	75,205	(3,732)
<b>Retained earnings</b>		
Retained earnings brought forward	(2,362)	1,370
Profit for the financial year	75,205	(3,732)
Distribution under gift aid to parent undertaking	(71,473)	-
Retained earnings carried forward	1,370	(2,362)
The aggregate of the assets, liabilities and funds was:		
Assets	476,206	174,637
Liabilities	(474,835)	(176,998)
Capital and retained earnings	1,371	(2,361)

#### Parent charity

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

	2021 £	2020 £
Gross income	1,663,600	1,190,236
Result for the year	201,991	(505,114)

#### 13 Debtors

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	-	5,500	-	5,500
Prepayments and Other debtors	91,969	70,028	18,837	-
Accrued income	-	341	-	341
Amounts owed by Subsidiary	-	-	86,364	3,001
Deferred tax asset	-	876	-	-
	91,969	76,745	105,201	8,842

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2021

14 Creditors: amounts falling due within one year

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	258,830	6,343	2,360	6,257
Grant Creditors (note 5)	25,000	27,500	25,000	27,500
Accruals	23,435	11,126	23,435	11,126
Deferred income (note 15)	132,000	214,911	-	41,000
	<b>439,265</b>	<b>259,880</b>	<b>50,795</b>	<b>85,883</b>

15 Deferred income

	The group		The charity	
	2021 £	2020 £	2021 £	2020 £
Balance at the beginning of the year	214,911	-	41,000	-
Amount released to income in the year	(82,911)	-	(41,000)	-
Amount deferred in the year	-	214,911	-	41,000
Balance at the end of the year	<b>132,000</b>	<b>214,911</b>	<b>-</b>	<b>41,000</b>

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	1,103,212	-	-	1,103,212
Net current assets	1,372,166	134,000	12,273	1,518,439
<b>Net assets at 31 December 2021</b>	<b>2,475,378</b>	<b>134,000</b>	<b>12,273</b>	<b>2,621,651</b>

16b Analysis of group net assets between funds (prior 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
<b>Net assets at 31 December 2020</b>	<b>2,278,844</b>	<b>119,584</b>	<b>17,500</b>	<b>2,415,928</b>

## Big Change Charitable Trust

### Notes to the financial statements

#### For the year ended 31 December 2021

##### 17a Movements in funds (current year)

	At 1 January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2021 £
<b>Restricted Funds</b>	17,500	307,243	(281,970)	(30,500)	<b>12,273</b>
<b>General funds</b>	2,278,844	1,961,140	(1,548,056)	(216,550)	<b>2,475,378</b>
<b>Designated funds</b>	119,584	-	(232,634)	247,050	<b>134,000</b>
<b>Total funds</b>	<b>2,415,928</b>	<b>2,268,383</b>	<b>(2,062,660)</b>	<b>-</b>	<b>2,621,651</b>

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

Restricted funds: in 2021 Big Change received eleven separate donations from eight donors totalling £293,000 that were restricted to specific projects. £25,500 of the total was allocated to the Tranquiliti project, £25,000 to Shift UK, £25,000 to Children's University Trust, £7,500 to the Rekindle project, £14,243 to the Global Network project, and £210,000 to the Co-mission project from 5 separate donors.

The transfers shown include a total of £30,500 of expenditure transferred from designated to restricted funds. This represents expenditure on specific projects classified as designated expenditure in prior years, now reclassified as restricted expenditure within the same project.

Designated funds are described in the Note 1h.

##### 17b Movements in funds (prior year)

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

##### 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.