

Charity no. 1195850

Charity Entrepreneurship
Report & Audited Financial Statements
31 March 2023

Charity Entrepreneurship

Reference and administrative details

For the year ended 31 March 2023

Charity number	1195850		
Registered office	Unit 10, The Linen House 253 Kilburn Lane London W10 4BQ		
Trustees	The trustees who served during the period and up to the date of this report were as follows:		
		<i>Appointed</i>	<i>Resigned</i>
	Thomas Billington	30 June 2022	
	Lucia Coulter	25 November 2021	
	Brendan Eappen	12 December 2021	
	Juliette Finetti	12 December 2021	30 June 2022
	Devon Fritz	30 June 2022	10 September 2023
	David Moss	12 December 2021	5 December 2022
	Andrés Jiménez Zorrilla	30 June 2022	
Senior management		<i>Appointed</i>	<i>Resigned</i>
	Joey Savoie	1 December 2021	
	Karolina Sarek	1 December 2021	
	Devon Fritz	13 September 2023	
	Patrick Stadler	15 November 2021	
	Sam Hilton	1 November 2021	
	Alex Catalán Flores	1 August 2022	
	Aidan Alexander	1 February 2023	31 December 2023
	Judith Rensing	5 June 2023	
Bankers	National Westminster Bank Plc 250 Bishopsgate London EC2M 4AA	Wise Payments Limited Floor 6, Tea Building 56 Shoreditch High Street London E1 6JJ	
	City National Bank NY 6TH Avenue Banking Office 1140 6TH Avenue New York, NY 10036 United States		

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Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor, Mariner House 62 Prince Street Bristol BS1 4QD
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Solicitors	Lawbriefs Ltd 39 Long Acre London WC2E 9LG
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Charity Entrepreneurship

Report of the trustees

For the year ended 31 March 2023

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the Constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

Structure, governance and management

Entity overview

Charity Entrepreneurship is a registered Charitable Incorporated Organisation (CIO) as of 20 September 2021 with registered charity number 1195850. The CIO's only members are its Trustees and the CIO is governed by its foundation constitution which states the CIO's objects and powers.

The charity's organisational structure is composed of five departments: Research, Outreach, Vetting, Programs and Operations. Each department is led by a Director. The Directors meet periodically with the Chief Operating Officer and the Co-Executive Directors to discuss cross-departmental questions and strategic matters.

Appointment of Trustees

The following constitutional provisions are relevant insofar as they govern the appointment of trustees:

- 10.1 Apart from the first charity trustees, every trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees; and
- 10.2 In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

All trustees give their time voluntarily and receive no benefits from the charity.

Trustee selection

A detailed explanation of Charity Entrepreneurship's approach to trustee selection is available via the link below.

<https://www.charityentrepreneurship.com/post/how-we-choose-our-board-members>

Charity Entrepreneurship's trustees consist of past participants of its Incubation Program who've successfully founded high-impact charitable projects. This achieves the following objectives:

1. It provides a source of knowledge and experience from individuals with a proven track record of running their incubated charitable organisations successfully and responsibly who also have the necessary contextual understanding to advise on strategic questions facing Charity Entrepreneurship;
2. It allows for a governance mechanism that is very closely linked to Charity Entrepreneurship's beneficiaries, thus ensuring that the organisation is always striving towards achieving its mission and charitable purposes; and
3. It enables an important accountability mechanism for members of senior management who instead of being evaluated internally by other Charity Entrepreneurship employees or self-evaluating can be evaluated by a body empowered to enact corrective measures should performance be unsatisfactory.

Charity Entrepreneurship also ensures that selected trustees are not disqualified as per the Charity Commission's guidance on the automatic disqualification rules.

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Report of the trustees

For the year ended 31 March 2023

Trustee induction and training

Charity Entrepreneurship provides its trustees with copies of the Charity Commission's 'The essential trustee: what you need to know, what you need to do (CC3)' guidance, as well as a copy of a Trustee Manual developed by Charity Entrepreneurship. This last document details more practical information about trustees' duties, such as the steps needed to run trustee meetings and hyperlinks to key documents (e.g. Constitution).

CE does not offer a formal training program for newly appointed trustees. This is primarily because trustees have, up to this point, been selected based on their preexisting understanding of Charity Entrepreneurship's work and also their preexisting experience managing organisations and being responsible for governance functions.

Decision-making

The Trustees delegate day-to-day management and operational oversight of the organisation to members of the Senior Management team. In particular, on 8 December 2021, the charity's Trustees gave Joey Savoie, Karolina Sarek and until 24 May 2022 Andrew Player full power of attorney and authority to sign, execute, deliver and/or issue all agreements, documents, certificates and instruments (all whether as a deed or not) listed in Schedule 1 of the signed power of attorney document. On 20 April 2023, the charity's Trustees also gave Alex Catalán Flores full power of attorney and authority to sign, execute, deliver and/or issue all agreements, documents, certificates and instruments (all whether as a deed or not) listed in Schedule 1 of the signed power of attorney document. These include, among others, invoices in respect of suppliers, grant and service agreements, letters and forms representing the charity.

Related parties, key partnerships and wider networks

Players Philanthropy Fund

Charity Entrepreneurship maintains a key partnership with Players Philanthropy Fund (PPF), a Maryland charitable trust with federal tax-exempt status as a public charity under Section 501(c)(3) of the United States Internal Revenue Code. PPF provides a fiscal sponsorship service whereby CE can operate under and utilise PPF's 501(c)(3) status to solicit donations in the US that are tax deductible.

CE's relationship with PPF is key for us to be able to support our incubated charitable projects. CE's incubated projects receive their seed grants in bank accounts opened by PPF with City National Bank on CE's behalf. Each charitable project is designated its own bank account with which it can receive donations and make expenditures.

Remuneration of key management personnel

In the reporting period, Charity Entrepreneurship paid the following amounts as net remuneration for key management personnel:

Individual	Net remuneration	
Joey Savoie	£	28,164
Karolina Sarek	£	35,968
Sam Hilton	£	25,384
Patrick Stadler	CHF	17,513
Aidan Alexander	£	24,058
Alex Catalan Flores	£	24,453

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Charity Entrepreneurship sets remuneration across the organisation according to a benchmarked range approximately between £34,000 and £47,000 gross per annum for full-time work. We consider requests outside this range on a needs basis and decisions are dependent on the specific person's circumstances.

Aims and objectives

Our purposes

As detailed in its Constitution, Charity Entrepreneurship's charitable purposes are, for the public benefit, to:

- A. Advance education, primarily in the field of entrepreneurship, in particular by (but not limited to) providing training courses and mentorship, and by conducting and publishing research;
- B. Promote the voluntary sector, in particular by (but not limited to) providing grants, education, advice or other forms of support to charities, voluntary organisations, and to other individuals seeking to establish or support charities or voluntary organisations for the public benefit; and
- C. To advance such other charitable purposes (such as are exclusively charitable purposes according to the law in England and Wales) as the trustees see fit, in particular by (but not limited to) providing grants, education, advice or other forms of support to individuals and organisations working to further charitable purposes for the public benefit.

Charity Entrepreneurship seeks to achieve its charitable purposes by enabling more high-impact nonprofits and voluntary organisations to exist in the world. It does this through its extensive research process to identify high-impact ideas for new charitable projects, its Incubation Programs, its Grantmaking program, and also its published short-form and long-form content. These outputs lead to an increased number of highly tractable and effective new charitable projects to exist in the world, an increased availability of funding for effective charities, and also influence existing organisations and policymakers to implement our findings. All in all, these activities and outputs lead to Charity Entrepreneurship's impact being more human and nonhuman animal lives saved and improved, and also a social sector that is more evidence-based and impact-focused.

Our activities

Our key activities can be broken down into the following categories:

Research

Only a small number of charities are amongst the most effective in the world. We continually profile and study these rare organisations, so that we can help launch more projects like them. Our team conducts thousands of hours of research each year to identify the most exciting new project ideas. We publish detailed reports on the top 5-10 ideas we identify each year. We then recruit, train and fund aspiring entrepreneurs through our Incubation Programs to start new projects based on these ideas.

Outreach and Vetting

Our outreach team promotes our Incubation Program to find the most promising participants, and also promotes events and articles relevant to entrepreneurship and effectively running an evidence-based charity, as well as publicising CE's research.

Our vetting team process applications to our programs to identify the most promising 10-20 people to participate in each program.

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Programs

We run two Incubation Programs annually. Our Incubation Program is a two-month online training course that guides participants through the most important decisions they will need to make as charitable project founders and helps them find the best idea and co-founder match. By asking participants to do small projects with other participants, the training course explores the critical components of evidence-based projects such as intervention prioritisation, impact analysis, cost-effectiveness, gathering support, management, and fundraising.

We also run a Grantmaking program. This program looks like our classic Incubation Program but instead of recommending specific charities, we aimed to teach skills that would allow foundation leaders to work as informed, independent, full-time grant makers, equipped with a suite of decision-making tools.

Operations

Our operations team handles all of the routine tasks and incoming responsibilities to keep Charity Entrepreneurship operational.

We also provide operational support to new charitable projects launched through our Incubation Programs that do not yet have their own registration. We do this through a formal partnership with Players Philanthropy Fund, a US-based 501(c)(3) organisation, who are able to provide fiscal sponsorship services to newly established charitable projects.

Specific examples of activities undertaken for each department during the relevant reporting period are presented below, along with estimated percentages of total staff time spent on each workstream. These are approximate post hoc estimates.

Research (35%)

Our research covered 3 cause areas over this period:

Animal welfare policy: We completed our research into animal welfare in September 2022. Through an iterative research process we narrowed down a list of 275 ideas to three top ideas: improving the welfare of milkfish in the Philippines, advocacy to ban the use of live baitfish in the US, and advocacy to ban low-welfare animal product imports in New Zealand. We published in-depth reports on these top ideas and four other reports on other interesting interventions in October 2022.

Bio risk/health security: We completed our research into bio risk/health security in January 2023. Through an iterative research process we narrowed down a list of 150 ideas to two top ideas: policy advocacy for subscription models to drive the production of new antimicrobials, and advocating for academic guidelines to limit dual-use research of concern. We are working on getting these top-idea reports published.

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Large-scale global health: We completed our research into large-scale global health in February 2023. Through an iterative research process we narrowed down a list of 300 ideas to four top ideas: antenatal clinic-based syphilis screening and treatment to tackle syphilis in pregnancy, scaling up kangaroo care for low birth weight babies, fixing stock-outs of contraceptives and other essential medicines, and scaling up oral rehydration solution and zinc co-packs for the treatment of diarrhoea in under-5-year-olds. We published in-depth reports into these top ideas and five other reports into other interesting interventions in April 2023.

Animal welfare: We started our research into a new round of animal welfare interventions in March 2023. We began by collating a list of 275 intervention ideas and then by 31 March 2023, the end of the review period, we had already reached stage 3 of our iterative research process. This stage involves spending a total of 1.5 hours per idea to assess the strength of evidence for the intervention, create a cost-effectiveness analysis, and conduct a paths to failure analysis.

Mass media: We also started our research into mass media interventions in March 2023. We began by collating a list of 160 intervention ideas and progress was similar to the progress of research on animal welfare.

Recruitment (35%)

Promoting our Incubation Program and identifying promising participants includes:

- Attending conferences, such as Effective Altruism Global, and giving talks and running workshops;
- Headhunting on LinkedIn;
- Posting on Facebook and in relevant Facebook groups; and
- Posting on relevant job boards.

Publicising our research includes:

- Posting blog posts on our website and relevant forums, such as the Effective Altruism forum.

Vetting includes:

- Processing and vetting thousands of applications to our Summer and Winter Incubation Programs to find the top 10-20 participants of each Program. We connect promising applicants outside of those that make it into our Incubation Programs to other impactful job opportunities in other charities and voluntary organisations.
- Incrementally improving on an automated and evidence-based vetting system to increase the validity, reliability and scalability of CE's vetting function.

Other activities include:

- Maintaining Charity Entrepreneurship's website; and
- Publicising articles relevant to entrepreneurship and effectively running an evidence-based charitable project, such as those on our blog.

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Programs (20%)

We ran two Incubation Programs in the reporting period. The first took place in June-July 2022. This program was focused on global health and development and ended with the founding of five new projects:

- **Center for Effective Aid Policy:** Identifying and advocating for effective solutions in aid policy;
- **Centre for Exploratory Altruism Research:** Identifying the most important problems in the world and directing resources towards solving them, so as to maximise global welfare;
- **Maternal Health Initiative:** Reducing rates of maternal mortality and providing women with fundamental increases in their agency by expanding access to family planning;
- **Kaya Guides:** Reducing depression and anxiety among youth in low- and middle-income countries through a guided self-help program delivered by WhatsApp; and
- **Vida Plena:** Providing evidence-based depression treatment to Ecuadorian communities at scale by empowering local people to deliver a cost-effective model of counselling. Community members are trained to treat depression through Group Interpersonal Therapy (g-IPT).

The second took place in February-March 2023 and was focused on animal welfare and global health and development. Four new projects were launched through this Program:

- **Animal Policy International:** Working with policymakers in regions with higher levels of animal welfare legislation to advocate for responsible imports that are in line with domestic laws. By applying equal standards, they aim to advance animal welfare in exporting countries with lower levels of animal welfare;
- **Ansh:** Building healthcare capacity to provide “Kangaroo Care”, an exceptionally simple and scientifically-proven treatment to avert newborn deaths;
- **Healthy Futures Global:** Working to test and treat pregnant women for syphilis. This stops syphilis transmission from mother to child, and prevents newborn deaths, stillbirths, and disability; and
- **HealthLearn:** Training health workers in developing countries with simple, mobile-optimised, case-based online courses. They will use these online courses to teach straightforward, knowledge-based practices that save lives, starting with newborn care and moving on to many of the leading causes of readily preventable deaths.

We also ran our first Grantmaking Program in September-October 2022. Despite seeing many areas where we could improve the program, we consider the pilot to have been very successful. We are excited to run this program again in May 2023 and believe it could provide impact comparable to that of our charity Incubation Program.

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Operations (10%)

Operations is mostly focused on the smooth running of the charity and its programs. This includes work across HR, facilities management, accounting and finance, legal and compliance, organisational productivity & planning, and internal events and other recruitment support. The standout achievements of the operations team over the period were managing our first Independent Examination, planning and running our first all-team retreat, and finding and renting two flats for use as accommodation during the in-person component of our Incubation Programs.

Public benefit statement

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

Grantmaking

Towards the end of each Incubation Program, participants prepare a project proposal on their chosen idea. This proposal outlines the initial proposed implementation of the idea, and includes a request for funding. Charity Entrepreneurship provides feedback on these proposals and then they are submitted to the Seed Network – a small network of approximately thirty individual donors (i.e. not institutional donors) interested in early-stage projects who fund across different cause areas and have often been excited about the historical results of the CE Incubation Program.

Charity Entrepreneurship also occasionally makes grants to organisations deemed to be working towards similar aims such that a financial contribution from CE would in effect be a contribution towards fulfilling CE's mission and charitable purposes. This may be because we deem the project to be in a start-up phase similar to our incubated charities, or because the project has requested CE to receive a donation on its behalf to later be forwarded (i.e. conduit funding), or another reason.

Information about grants made by Charity Entrepreneurship can be found in Note 7 of the Notes to the Financial Statements section of this report.

Volunteers

The charity engaged one volunteer over a five-month period (October 2022 - February 2023) who worked up to 20 hours per week and contributed to the bio risk/health security research and the large-scale global health research by co-authoring two research reports.

Achievements and performance

We note that the achievements listed in the table below are an illustrative sample of Charity Entrepreneurship's and its incubated projects' achievements, not an exhaustive list. We have aimed to include examples across cause areas and programs.

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Date	Event	Link (if applicable)
April 2022	Charity Entrepreneurship attended the Effective Altruism Global Conference in London, manning a stall at the career fair and running two workshops: "Are You a Good Fit for Nonprofit Entrepreneurship?" and "New Research Topics in Global Priorities Research"	N/A
April 2022	Animal Advocacy Careers (Incubation Program 2019) launched its Fundraising Work Placement. This program gives participants a remote, paid part- or full-time work placement which will help those interested in a career in animal advocacy to get experience and will help organisations fill one of their biggest talent gaps.	https://www.animaladvocacycareers.org/fundraising-work-placement
April 2022	GiveWell published their rationale behind a GiveWell grant recommendation of \$8.2 million over five years to Fortify Health (our first incubated project).	https://www.givewell.org/research/incubation-grants/Fortify-Health-expansion-December-2022
May 2022	Charity Entrepreneurship launches career coaching for those interested in entrepreneurship as a career path. These coaching calls focused on helping people think through their options through exploring their fit for different opportunities, discussing their potential relative impact, and identifying how they might get more information in order to make the best possible decision. These coaching calls were both useful for finding promising applicants to our Incubation Programs, and also helped the wider community to maximise their impact in their career.	https://www.charityentrepreneurship.com/career-coaching
May 2022	Canopie (Incubation Program 2020) spoke on a panel hosted by the National Association of Women Lawyers' Immigration and Health & Life Sciences Practice Area Groups to share Canopie's learnings about using evidence-based practices during times of stress and transition, and the intersection of mood and reproductive health.	https://www.linkedin.com/feed/update/urn:li:activity:6930481249748729856
June 2022	Charity Entrepreneurship's Summer Incubation Program begins on 27 June with 9 participants.	N/A
July 2022	Lead Exposure Elimination Project (Incubation Program 2020) published its review of sources of lead exposure in LMICs.	https://leadelimination.org/sources-of-lead-exposure-in-lmics-other-than-paint/

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Date	Event	Link (if applicable)
July 2022	Fortify Health celebrated 3 launches with their mill partners in India. Pitambar Flour Mill in Kolkata (West Bengal), Shankeshwara Foods in Supa (Maharashtra), and Gangwal Foods in Indore (Madhya Pradesh) have successfully incorporated Fortify Health's fortified premix into their flour and released it to the open market.	N/A
August 2022	Happier Lives Institute (Incubation Program 2019) released its recommendations to GiveWell to improve its cost-effectiveness analysis of deworming interventions.	https://www.happierlivesinstitute.org/report/deworming-and-decay/
August 2022	Charity Entrepreneurship launched five new projects following the end of its Summer Incubation Program. - Centre for Effective Aid Policy: identifying and promoting high-impact development policies and interventions. - Centre for Exploratory Altruism Research: conducting cause prioritisation research and outreach. - Maternal Health Initiative: producing transformative benefits to women's health, agency, and income through increased access to family planning. - Kaya Guides: reducing depression and anxiety among youth in low-and middle-income countries. - Vida Plena: building strong mental health in Latin America.	https://forum.effectivealtruism.org/posts/isggu3woGwkpYzqwW/presenting-2022-incubated-charities-charity-entrepreneurship
August 2022	Lead Exposure Elimination Project's (Incubation Program 2020) study in Madagascar shows that 61% of samples of solvent-based paint for home use contained dangerous levels of lead. The Bureau of Standards in Madagascar has set a new standard on lead in paint and is taking steps to make this standard mandatory.	https://leadelimination.org/study-results-madagascar/
September 2022	Charity Entrepreneurship's Grantmaking program begins on 19 September with 5 foundations (represented by 6 people) taking part.	N/A

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Date	Event	Link (if applicable)
September 2022	Suvita (Incubation Program 2019) recruited seven Associate Field Officers in Maharashtra state to run an ambassador pilot and conduct feedback surveys for SMS reminders. These new hires will aid them in their scale up of their vaccination reminders program in which caregivers receive personalised SMS reminders informing them when their child is due for a vaccination.	N/A
October 2022	Charity Entrepreneurship attended the inaugural Animal & Vegan Advocacy Summit in Washington, DC.	N/A
October 2022	Centre for Effective Aid Policy (Incubation Program 2022) shared its six recommendations for Swedish development aid with the new Swedish government.	https://www.aidpolicy.org/six-recommendations-for-swedish-development-aid
November 2022	Charity Entrepreneurship had its first all team, off-site retreat. The focus of this retreat was strategy and ideation on how to improve Charity Entrepreneurship and its programs, and how to maximise our potential for impact.	N/A
November 2022	Family Empowerment Media (Incubation Program 2020) received an external investigation from Founders Pledge which found that their family planning radio campaign could be 26x as cost-effective as GiveDirectly which gives out cash transfers to the world's poorest.	https://founderspledge.com/stories/mass-media-interventions
November 2022	Animal Charity Evaluators (ACE) their 2022 charity recommendation, in which they announced Fish Welfare Initiative (Incubation Program 2019) as a new ACE Standout Charity.	https://animalcharityevaluators.org/blog/announcing-our-2022-charity-recommendations/
November 2022	The Guardian covers research from Animal Ask (Incubation Program 2020) conducted on behalf of Animal Equality that fed into their enforcement report in collaboration with The Animal Law Foundation.	https://www.theguardian.com/world/2022/nov/08/one-in-300-animal-welfare-complaints-at-uk-farms-lead-to-prosecution-study
December 2022	Animal Ask (Incubation Program 2020) released their "Does Sentience Legislation help animals?" report.	https://www.animalask.org/post/does-sentience-legislation-help-animals

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Date	Event	Link (if applicable)
December 2022	High Impact Professionals (Incubation Program 2021) launched a talent directory which will help match people to vacancies in high-impact organisations based on their skills etc.	https://forum.effectivealtruism.org/posts/ZCBw36sCfbfondnq2/sign-up-for-our-talent-directory-if-you-re-interested-in
January 2023	Shrimp Welfare Project (Incubation Program 2021) signed an MOU with MER Seafood to improve the welfare of 125 million shrimps per year through the use of electrical stunner pre-slaughter.	https://www.shrimpwelfareproject.org/post/mou-with-mer-seafood
January 2023	Centre for Exploratory Altruism Research published its shallow report on Diabetes Mellitus Type 2 which found that a sugar-sweetened beverages tax could be a promising and cost-effective way to eliminate diabetes mellitus type 2.	https://forum.effectivealtruism.org/posts/Xhidz5asorR5uaEhgk/shallow-report-on-diabetes-mellitus-type-2
February 2023	Charity Entrepreneurship's Winter Incubation Program begins on 6 February with 15 participants.	N/A
February 2023	Fish Welfare Initiative (Incubation Program 2019) surpasses 1 million fish helped due to welfare improvements made on fish farms in India, Portugal, and the Philippines.	https://www.fishwelfareinitiative.org/post/1-million-fishes
March 2023	Maternal Health Initiative (Incubation Program 2022) entered into a partnership with Savana Signatures, an NGO based in the Northern region of Ghana, to conduct scoping work and run the first iteration of its training for healthcare workers.	N/A
March 2023	Training for Good (Incubation Program 2021) launched its Tarbell Fellowship, a one-year programme for early-career journalists intent on improving the world.	https://www.tarbellfellowship.org/2023-fellows

Achievements against objectives set

We set loftier goals in 2022 to be achieved in 2023 and 2024. These were based on multiplying out our historical impact and doubling down on the experiments we conducted that yielded promising results (e.g. letting a charitable Grantmaking foundation into the Incubation Program). We set three broad goals, on which we expand on our progress below.

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Double the number of charities founded

The most significant change required to achieve this goal was adapting our programming to run our Incubation Program twice instead of once a year. We aimed to keep the cohort size about the same and allow applicants who were not available at the right time during the year to have more possible windows to apply. We aimed to have about 2 groups of ~15 in 2023, resulting in 9-11 charities being founded. Our first round in 2023 looks like it will result in our expectations being met (15 people and 5-6 charitable projects founded), and given our application strength to our summer program (the one we have historically run), we expect another equal-sized and strength cohort. This means we expect to found 10 charitable projects of equal quality in 2023 and going forward into future years.

Double the number of programs of equal impact running

This goal was more directly connected to one of our past successful experiments. We decided to run a trial foundation program with content aimed specifically at Grantmaking foundations and improving their tools and decisions with some of the same methods used for early-stage charitable projects. We have only run this program once, so we consider these results to be highly preliminary. Despite that, we received both considerably more demand and had a more significant impact than we expected in our pre-launch models. We originally planned to run one foundation program in 2023 but now plan to expand this to two programs, each with ~6 participants. Our current models suggest even running one foundation program a year might be commensurate in value with our current CE program, although we are unsure if this will be replicable with other cohorts and as often as twice a year.

Double the quality of charities founded

We understood when we set this goal that this would be the hardest goal to make progress on. We historically have seen that the top one-third of our charitable projects are disproportionately responsible for the impact generated. Thus, we had a goal to move from two out of six of our charitable projects overperforming to four out of six performing at that high level. We have minimal data to access this as we typically get a sense of charity quality ~2 years after they launch. However, our current sense is that our rounds over 2022 and 2023 have been about on par in terms of quality with our prior rounds.

Financial review

Review of financial position as of 31 March 2023

The charity's statement of financial activities is shown on page 24.

During the relevant period, Charity Entrepreneurship received total revenue of £1,955,971 (2022: £1,508,275) and had total expenditures of £1,519,792 (2022: £377,110), amounting to a net income of £436,179 (2022: £1,131,165).

The amount of the total funds the charity holds at the end of the reporting period is £1,567,344, of which £1,054,297 are restricted.

The Trustees have a reasonable expectation that Charity Entrepreneurship has adequate resources to continue in operational existence for the foreseeable future, and so will continue to prepare the charity's financial statements on a going concern basis.

Significant events

There have been no significant events in the reporting period.

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Fundraising

Charity Entrepreneurship does not carry out any public fundraising activities in which it openly solicits donations from members of the public.

Instead, it mainly receives donations from large philanthropic foundations - namely the Centre for Effective Altruism/Effective Ventures Foundation and Good Ventures Foundation. The Co-executive Directors apply for funding and have fundraising calls with staff from these organisations on an ad hoc basis when necessary to fill any funding gaps that Charity Entrepreneurship has.

Charity Entrepreneurship also has a donate button on its website which links potential donors to the following third-party public donation pages on crowdfunding platforms:

- **Every.org:** Every.org is a 501(c)(3) charity with EIN 61-1913297. Charity Entrepreneurship directs donors wishing to donate in USD to Every.org. The money raised through Every.org is regranted to our 'Players Philanthropy Fund doing business as Charity Entrepreneurship' bank account;
- **Giving What We Can:** Giving What We Can is a project of the Effective Ventures group, the umbrella term for Effective Ventures Foundation (England and Wales registered charity number 1149828, registered company number 07962181, and also a Netherlands registered tax-deductible entity ANBI 825776867) and Effective Ventures Foundation USA, Inc. (a section 501(c)(3) public charity in the USA, EIN 47-1988398). Charity Entrepreneurship directs donors wishing to donate in GBP or any other currency to Giving What We Can. The money is regranted from Giving What We Can via the Centre for Effective Altruism/Effective Ventures Foundation; and
- **Engiven:** Engiven is a donation platform that accepts cryptocurrency donations.

Principal funding sources

The following constitute the principal funding sources for Charity Entrepreneurship in the relevant reporting period.

Name	Type of donor	Amount received
The Centre for Effective Altruism/Effective Ventures Foundation[1]	Registered charity in England and Wales with a section 501(c)(3) public charity in the US	85,529 GBP
Good Ventures Foundation	Registered US 501(c)(3) nonprofit	1,321,804 GBP
The Prism Charitable Trust	Registered charity in England and Wales.	160,000 GBP

[1] The Centre for Effective Altruism changed its name to Effective Ventures Foundation in September 2022.

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Reserves policy

As of February 2023, Charity Entrepreneurship aims to maintain unrestricted reserves of £233,289. The amount represents the following segments:

Segment	Reserve (£)	Description
2023-24 FY Budget Contingency	71,043	Unrestricted funds to provide a 5% spending buffer as per 2023-24 FY budget.
Seed grants backup OR Dissolution reserve	162,246	If CE is facing business as usual: unrestricted funds to provide a backup source of funding for incubation program participants should Seed Network not be able to fully fund their projects. If CE assesses that it would be best to wind down the organisation, then no seed grants will be issued. Instead, this is the amount of funding estimated to be necessary to shut down the organisation.
Total	233,289	

CE will maintain its reserves as a mixture of interest-bearing savings accounts and liquid safe assets. The exact composition of the reserves will be determined by the Board of Trustees based on prevailing market conditions, CE's investment policy, and the advice of its investment managers.

Management of Reserves

CE's Directors are responsible for the management of CE's reserves. Directors will review CE's reserves policy annually in consultation with trustees and adjust the reserves target as necessary. Directors will also monitor the utilisation of the reserves and may adapt the investment strategy as necessary to ensure that CE's reserves are held in appropriate investments.

Key risks

Charity Entrepreneurship conducted its first review of major risks in the reporting period. The Co-executive Directors selected the major risks after reviewing the inputs from all Directors and the Chief of Staff. The top risks identified were as follows:

- Co-executive Directors become permanently unavailable to work (e.g. burnout, jaded, personal reasons or injury/death);
- Conflict between Co-executive Directors negatively affects the charity;
- The Charity is affected by reputation issues of associated movements such as Effective Altruism (e.g. negative media reporting);
- The Charity stops being financially and organisationally lean (i.e. starts to overspend and become bureaucratic); and
- Potential for conflicts of interest and/or bad governance e.g. funding mismanagement, romantic relationships, staff living in shared houses etc. - leading to poor external perception which leads to worse reputation, fewer applicants to our Programs, and less support overall.

Charity Entrepreneurship

Report of the trustees

For the year ended 31 March 2023

We note that risks not included in the top risk category will also be addressed. Risks were assessed based on their likelihood and potential impact, and mitigation strategies have been put in place to manage them in line with the organisation's risk appetite. The following mitigation strategies have been put in place to manage the top risks outlined above:

- Co-executive Directors update the following strategic guidelines each year, starting in April 2023, with quarterly updates if necessary:
 - Vision of Charity Entrepreneurship, key strategies to implement the vision, and quarterly priorities for the charity and its staff;
 - Founders Agreement; and
 - Responsibilities of Directors and key decision-making procedures (e.g. purpose of Directors Meeting).
- Co-executive Directors review the following metrics each month that directly influence their motivation:
 - Meeting the Charity's OKRs;
 - Level of ambition; and
 - Friendly communications.
- CE Directors conduct a leanness check every ~six months which includes the following:
 - More detailed and strict annual budgeting;
 - Budget, recent spending, planned spending: where can be saved?
 - Optimising core processes to save time and costs; and
 - Optimising meeting nr, length, structure.

Risks will continue to be documented and reviewed annually and, where appropriate, systems or procedures will be established to manage the risks the charity faces.

Plans for future periods

2023-24 Financial Year

Our main aims for the 2023-24 financial year are as follows:

- Complete our research into animal welfare and recommend 1-3 charitable project ideas to be started during our 2024 Winter Incubation Program (February-March 2024);
- Complete our research into mass media and recommend 1-3 charitable project ideas to be started during our 2024 Winter Incubation Program (February-March 2024);
- Start and complete our research into two new promising cause areas and recommend 1-3 charitable project ideas in each to be started during our 2024 Summer Incubation Program (June-July 2024);
- Publish our research reports on our website and publicise them in relevant forums;
- Successfully run our 2023 Summer Incubation Program (June-July 2023) and launch 3-5 new promising projects across the cause areas of bio risk/health security, global health and development, and animal welfare;
- Successfully run our 2024 Winter Incubation Program (February-March 2024) and launch 3-5 new promising charitable projects across the cause areas of animal welfare and mass media;
- Successfully run two more Grantmaking Programs. We also hope to publish our "How to launch a High-Impact Foundation" handbook which synthesises the information taught in this program;
- Establish an external review process with a third party that provides an external evaluation of our Incubated Charities two years after launch. This will allow us, and our charities, to better understand our impact and to allow the charities to improve wherever possible to be as impactful as possible;

Charity Entrepreneurship

Report of the trustees

For the year ended 31 March 2023

- Launch our Research That Matters Program. This program equips participants with the skills required to identify, compare, and recommend the most effective charities and interventions. It would be similar to CE's Incubation Program in format, aiming to skill up a new cohort of highly employable and valuable researchers to supply effectiveness-minded organisations with the talent they need to scale better and faster;
- Promote our Summer and Winter Incubation Programs to find promising participants. This will include;
 - Attending conferences, such as Effective Altruism Global, and giving talks and running workshops;
 - Running events;
 - Headhunting on LinkedIn;
 - Posting on Facebook and in relevant Facebook groups; and
 - Posting on relevant job boards.
- Vetting all applications to our Incubation Programs to identify the most promising participants. We are hoping to find 10-15 participants for each program; and
- Continuing to mentor and offer operational support to charitable projects started through our past Incubation Programs. We would also like to increase the scale and breadth of this post-program support to cover more operational issues and questions our charities may have.

Beyond

We will continue to run two Incubation Programs each year: one in Summer (June-July) and one in Winter (February-March). Our main goal with our Incubation Programs is to 2x the quality of the charities launched. We historically have seen that the top 1/3 of our charities generate a highly disproportionate impact, so our goal is to move from 1/3 of our charities overperforming to 2/3 performing at that level. We hope to improve the quality of our charities largely by improving the quality of participants taking part in our Incubation Programs as we believe that the strength of the co-founding team is highly correlated with the overall impact of a newly started charitable project. To do this, we will better target our communications and outreach, and we will also raise the bar that has to be met during vetting.

We will also continue to run two Grantmaking Programs each year. We put a 75% chance that this program run twice a year will have an equal or greater impact when compared to our Incubation Program.

We will assess whether our first Research That Matters Program was successful and had the intended impact of outputting useful research for Charity Entrepreneurship and the wider impactful nonprofit sector, and giving the participants research skills to prepare them for impactful careers in research, Grantmaking, and monitoring and evaluation. If so, we will repeat this program again in the future. We will also continue to explore the viability of running future programs focused on for-profit entrepreneurship and policy.

Charity Entrepreneurship

Report of the trustees

For the year ended 31 March 2023

Statement of responsibilities of the trustees

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

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The trustees have no beneficial interest in the charity.

Auditor

Godfrey Wilson Limited were appointed as auditors to the charity during the year.

Approved by the trustees on 26 January 2024 and signed on their behalf by

Brendan Eappen

Brendan Eappen



Andrés Jiménez Zorrilla

Independent auditors' report

To the members of

Charity Entrepreneurship

Opinion

We have audited the financial statements of Charity Entrepreneurship (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Independent auditors' report

To the members of

Charity Entrepreneurship

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Other matters

The financial statements for the year ended 31 March 2022 were not audited because the charity was below the statutory audit threshold (as originally reports, before the prior period restatement).

Responsibilities of the trustees

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

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

Our responsibilities for the audit of the financial statements

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

Independent auditors' report

To the members of

Charity Entrepreneurship

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

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

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

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

(3) We inspected the minutes of trustee meetings.

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

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

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

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

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

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

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

Independent auditors' report

To the members of

Charity Entrepreneurship

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Godfrey Wilson Limited

Date: 29 January 2024

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Charity Entrepreneurship

Statement of financial activities

For the year ended 31 March 2023

		Restricted	Unrestricted	2023 Total	(restated) 2022 Total
	Note	£	£	£	£
Income from:					
Donations	4	1,862,819	88,179	1,950,998	1,508,267
Other trading activities		-	4,915	4,915	8
Investments		-	58	58	-
Total income		<u>1,862,819</u>	<u>93,152</u>	<u>1,955,971</u>	<u>1,508,275</u>
Expenditure on:					
Raising funds		12,635	-	12,635	6,280
Charitable activities		<u>1,507,157</u>	<u>-</u>	<u>1,507,157</u>	<u>370,830</u>
Total expenditure	6	<u>1,519,792</u>	<u>-</u>	<u>1,519,792</u>	<u>377,110</u>
Net income and movement in funds	8	343,027	93,152	436,179	1,131,165
Reconciliation of funds:					
Total funds brought forward		<u>711,270</u>	<u>419,895</u>	<u>1,131,165</u>	-
Total funds carried forward		<u><u>1,054,297</u></u>	<u><u>513,047</u></u>	<u><u>1,567,344</u></u>	<u><u>1,131,165</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 16 to the accounts. The prior year figures represent a shorter accounting period from incorporation on 20 September 2022 to 31 March 2022, the accounts are therefore not directly comparable.

Prior year income and expenditure have been restated as described in note 2 of the accounts.

Charity Entrepreneurship

Balance sheet

As at 31 March 2023

	Note	2023 £	(restated) 2022 £
Fixed assets			
Tangible assets	11	<u>1,200</u>	<u>1,600</u>
Current assets			
Debtors	12	53,831	401,216
Cash at bank and in hand		<u>1,553,327</u>	<u>849,277</u>
		1,607,158	1,250,493
Liabilities			
Creditors: amounts falling due within 1 year	13	<u>(41,014)</u>	<u>(120,928)</u>
Net current assets		<u>1,566,144</u>	<u>1,129,565</u>
Net assets	15	<u>1,567,344</u>	<u>1,131,165</u>
Funds	16		
Restricted funds		<u>1,054,297</u>	711,270
Unrestricted funds		<u>513,047</u>	<u>419,895</u>
Total charity funds		<u>1,567,344</u>	<u>1,131,165</u>

Approved by the trustees on 26 January 2024 and signed on their behalf by

Brendan Eappen

Brendan Eappen



Andrés Jiménez Zorrilla

Charity Entrepreneurship

Statement of cash flows

For the year ended 31 March 2023

	2023 £	(restated) 2022 £
Cash used in operating activities:		
Net movement in funds	436,179	1,131,165
Adjustments for:		
Depreciation charges	400	400
Decrease / (increase) in debtors	347,385	(401,216)
(Decrease) / increase in creditors	(79,914)	120,928
Net cash provided by operating activities	704,050	851,277
Cash flows from investing activities:		
Purchase of tangible fixed assets	-	(2,000)
Net cash provided used in investing activities	-	(2,000)
Increase in cash and cash equivalents in the year	704,050	849,277
Cash and cash equivalents at the beginning of the period	849,277	-
Cash and cash equivalents at the end of the period	1,553,327	849,277

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

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies

a) Basis of preparation

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

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

b) Going concern basis of accounting

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

c) Income

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

Income from the 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.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated 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.

e) Interest receivable

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

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies (continued)

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) 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.

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

h) Grants payable

Grants which have been authorised and paid are included as expenditure in the Statement of Financial Activities. Grants which have been authorised but not yet paid are accrued in the balance sheet and are included within creditors falling due within one year or after one year (as appropriate).

Grants to Incubated Charities are recognised for the initial round of seed funding and are included as expenditure in the Statement of Financial Activities when the funds are authorised or paid to the Incubated Charities bank account, whichever is earlier.

i) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to charitable activities on the basis that the charity has very little direct fundraising activity.

j) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Fixtures and fittings	5 years
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Items of equipment are capitalised where the purchase price exceeds £1,000.

k) 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.

l) Cash at bank and in hand

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

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies (continued)

m) Creditors

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.

n) Conduit funding

Conduit funds are monies received for third parties and do not belong to the charity. The incoming funds and outgoing payments are excluded from the Statement of Financial Activities. Any conduit funds in hand at the year end are shown as creditors in the accounts.

o) Financial instruments

The trust 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 recognised at amortised cost using the effective interest method.

p) Pension costs

The charity operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

q) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the period end.

r) Accounting estimates and key judgements

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

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

Key estimates and areas of judgement are set out below:

The charity holds funds under a fiscal sponsorship arrangement with Players Philanthropy Fund (PPF) in the United States. The charity is deemed to have full rights to, and control over, the funds held with PPF and as such they are included as assets within the balance sheet.

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

1. Accounting policies (continued)

r) Accounting estimates and key judgements (continued)

The charity receives funds intended for third parties which it passes on. The charity has no discretion over the application of these funds. As such, they are considered to be conduit funds and are excluded from the charity's statement of financial activities. Any balances held on behalf of third parties at the year end are included as a liability in creditors. Further information is included in note 14.

The charity incubates new charities, ultimately spinning them off to become independent entities known as "Incubated Charities". Some judgement is involved in establishing when the incubated charities cease to be part of Charity Entrepreneurship. This is generally considered to be the point at which the entity opens a bank account in its own name and takes control of the application of its funds. Once this point is reached, any funds paid from Charity Entrepreneurship to the Incubated Charity are recognised as grants payable in the statement of financial activities.

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

2. Prior period restatement

Prior year funds have been restated to include bank accounts, and their associated transactions, that were erroneously omitted from the financial statements in the prior year. The effects of the restatement are set out below:

	Restricted £	Unrestricted £	Total 2022 £
Funds			
Original funds at 31 March 2022	446,246	232,366	678,612
Adjustment to income	163,015	173,638	336,653
Adjustment to expenditure	(280,025)	-	(280,025)
Adjustment to accrued income	163,740	232,185	395,925
Reclassification of restricted income	<u>218,294</u>	<u>(218,294)</u>	<u>-</u>
Restated funds at 31 March 2022	<u>711,270</u>	<u>419,895</u>	<u>1,131,165</u>
			2022
Debtors			£
Original debtors at 31 March 2022			-
Accrued income			395,925
Amounts owed from Incubated Charities			<u>5,291</u>
Restated debtors at 31 March 2022			<u>401,216</u>
			2022
Creditors			£
Original creditors at 31 March 2022			18,929
Amounts owed to Incubated Charities			<u>101,999</u>
Restated creditors at 31 March 2022			<u>120,928</u>
			2022
Bank			£
Original bank balance at 31 March 2022			695,941
Additional cash held			<u>153,336</u>
Restated bank balance at 31 March 2022			<u>849,277</u>

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

3. Prior period comparatives: statement of financial activities (restated)

	Restricted £	Unrestricted £	2022 Total £
Income from:			
Donations	1,078,342	429,925	1,508,267
Other trading activities	-	8	8
Total income	1,078,342	429,933	1,508,275
Expenditure on:			
Raising funds	6,280	-	6,280
Charitable activities	360,792	10,038	370,830
Total expenditure	367,072	10,038	377,110
Net income and movement in funds	711,270	419,895	1,131,165

4. Income from donations

	Restricted £	Unrestricted £	2023 Total £
<i>Grants:</i>			
CAF American Donor Fund	76,556	-	76,556
Effective Ventures Foundation	37,656	47,873	85,529
Good Ventures Foundation	1,321,804	-	1,321,804
Fidelity Charity Centre	58,832	-	58,832
Future Fund	39,221	-	39,221
The Fish Initiative	7,220	-	7,220
The Prism Charitable Trust	160,000	-	160,000
Silicon Valley Community Foundation	13,727	-	13,727
Donations	147,803	40,306	188,109
Total income from donations	1,862,819	88,179	1,950,998

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

4. Income from donations

Prior period comparative (restated):

	Restricted £	Unrestricted £	2022 Total £
<i>Grants:</i>			
Charity Science Foundation of Canada	125,215	164,980	290,195
Effective Ventures Foundation	218,294	239,374	457,668
Good Ventures Foundation	533,293	-	533,293
Woodleigh Impact	22,000	-	22,000
Fidelity Charity Centre	15,800	-	15,800
Schmidt Futures	163,740	-	163,740
 Donations	 -	 25,571	 25,571
 Total income from donations	 <u>1,078,342</u>	 <u>429,925</u>	 <u>1,508,267</u>

5. Government grants

The charity received no government funding during the current year or prior period.

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

6. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2023 Total £
Staff costs (note 9)	3,432	476,296	71,206	550,934
Other staff costs	-	-	23,877	23,877
Grants payable (note 7)	-	655,722	-	655,722
Programme costs	-	174,357	-	174,357
Office costs	-	-	92,374	92,374
Travel and subsistence	-	-	3,952	3,952
Equipment and software	-	-	11,360	11,360
Legal and professional	9,203	9,203	16,563	34,969
Advertising	-	2,363	-	2,363
Depreciation	-	-	400	400
Foreign exchange (gain) / loss	-	-	(30,516)	(30,516)
Sub-total	12,635	1,317,941	189,216	1,519,792
Allocation of support and governance costs	-	189,216	(189,216)	-
Total expenditure	12,635	1,507,157	-	1,519,792

Total governance costs were £6,000 (2022 £2,640).

Prior period comparative (restated):

	Raising funds £	Charitable activities £	Support and governance costs £	2022 Total £
Staff costs (note 9)	622	81,045	2,007	83,674
Grants payable (note 7)	-	264,723	-	264,723
Programme costs	-	992	-	992
Conference costs	-	1,179	-	1,179
Office costs	-	-	8,763	8,763
Travel and subsistence	-	-	5,067	5,067
Equipment and software	-	-	1,818	1,818
Legal and professional	5,658	5,658	4,607	15,923
Depreciation	-	-	400	400
Foreign exchange (gain) / loss	-	-	(5,429)	(5,429)
Sub-total	6,280	353,597	17,233	377,110
Allocation of support and governance costs	-	17,233	(17,233)	-
Total expenditure	6,280	370,830	-	377,110

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

7. Grants payable

During the year, 10 (2022: 12) new grants were awarded to 10 institutions (2022: 12) for funding non-profits through Charity Entrepreneurships incubation program and other organisational support.

Total grants committed to during the year were as follows:

	2023	(restated) 2022
	£	£
Grants payable to institutions:		
<i>Incubated charities:</i>		
Center for Effective Aid Policy	117,663	-
Centre for Exploratory Altruism Research	78,834	-
Fortify Health	78,442	-
Kaya Guides	86,286	-
Maternal Health Initiative	173,357	-
Vida Plena	103,544	-
Training for Good	-	129,955
High Impact Professionals	-	74,260
Center for Alcohol Policy Solutions	-	46,041
3 grants (2022: 7 grants) < £5,000	3,476	10,485
<i>Other:</i>		
Charity Science Foundation of Canada	14,120	-
2 grants < £5,000	-	3,982
	<u>655,722</u>	<u>264,723</u>

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

8. Net movement in funds

This is stated after charging:

	2023 £	2022 £
Depreciation	400	400
Operating lease payments	60,216	-
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Auditor's remuneration:		
▪ Independent examination (excluding VAT)	-	2,200
▪ Audit (excluding VAT)	6,000	-
▪ Other services	4,800	457

9. Staff costs and numbers

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	327,043	58,526
Social security costs	30,415	1,074
Pension costs	4,421	733
Freelance staff	189,055	23,341
	<u>550,934</u>	<u>83,674</u>

No employee earned more than £60,000 during the period.

The key management personnel of the charity comprise the Trustees and Senior Management Team. The total employee benefits of the key management personnel were £175,362 (2022: £33,311).

	2023 No.	2022 No.
Average head count (FTE)	<u>10</u>	<u>5</u>

10. Taxation

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

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

11. Tangible fixed assets

	Total £
Cost	
At 1 April 2022 and 31 March 2023	<u>2,000</u>
Depreciation	
At 1 April 2022	400
Charge for the period	<u>400</u>
At 31 March 2023	<u>800</u>
Net book value	
At 31 March 2023	<u><u>1,200</u></u>
At 1 April 2022	<u><u>1,600</u></u>

12. Debtors: amounts due within 1 year

	2023 £	(restated) 2022 £
Prepayments	14,606	-
Accrued Income	39,225	395,925
<i>Amounts owed from Incubated Charities:</i>		
Suvita	<u>-</u>	<u>5,291</u>
	<u>53,831</u>	<u>401,216</u>

13. Creditors: amounts due within 1 year

	2023 £	(restated) 2022 £
Trade creditors	6,317	4,831
Accruals	19,781	10,848
Other taxation and social security	13,337	2,843
Other creditors	1,579	407
<i>Amounts owed to Incubated Charities:</i>		
Animal Ask	-	101,435
Happier Lives	<u>-</u>	<u>564</u>
	<u>41,014</u>	<u>120,928</u>

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

14. Conduit funding	2023 £	(restated) 2022 £
Balance at start of year	96,708	-
Funding received during year	23,532	453,500
Funding distributed during year	(120,240)	(361,752)
Funds written off during year	-	4,960
Balance at end of year	-	96,708

Conduit funds are monies received for third parties and do not belong to the charity. The charity passes funding, excluding the initial seed grants, through the accounts under a unique project code as a service to other Incubated Charities to help their charitable purposes, but does not claim gift aid nor has control over their use. The receipts and payments referred to above have been excluded from the Statement of Financial Activities. The balance held at the end of the year is included in amounts owed to seed charities in note 13 and amounts owed from Incubated Charities in note 12.

15. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	1,200	1,200
Current assets	1,095,311	511,847	1,607,158
Current liabilities	(41,014)	-	(41,014)
Net assets at 31 March 2023	1,054,297	513,047	1,567,344
Prior year comparative (restated):	Restricted funds £	General funds £	Total funds £
Tangible fixed assets	-	1,600	1,600
Current assets	730,199	520,294	1,250,493
Current liabilities	(18,929)	(101,999)	(120,928)
Net assets at 31 March 2022	711,270	419,895	1,131,165

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

16. Movements in funds

	At 1 April 2022 £	Income £	Expenditure £	At 31 March 2023 £
Restricted funds				
Effective Ventures Foundation	218,294	-	(218,294)	-
The Fish Welfare Initiative	-	7,220	(7,220)	-
Good Ventures Foundation	330,970	703,681	(448,664)	585,987
Good Ventures Foundation - Animal Welfare	-	618,123	(207,896)	410,227
Schmidt Futures	162,006	-	(103,923)	58,083
Seed Donors	-	533,795	(533,795)	-
Total restricted funds	711,270	1,862,819	(1,519,792)	1,054,297
Unrestricted funds				
General funds	419,895	93,152	-	513,047
Total unrestricted funds	419,895	93,152	-	513,047
Total funds	1,131,165	1,955,971	(1,519,792)	1,567,344

Purposes of restricted funds

Effective Ventures Foundation

General support from the EA Infrastructure Fund for the 2022 cycle of the Charity Entrepreneurship Incubation Programme, including research into new intervention ideas and a training programme.

The Fish Welfare Initiative

Engaging a consultant to lead Fish Welfare Initiative's work within the Alliance of Responsible Aquaculture in India.

Good Ventures Foundation

Provision of general support for Charity Entrepreneurship's human-centred work excluding budget items dedicated to animal welfare.

Good Ventures Foundation - Animal Welfare

Provision of general support for Charity Entrepreneurship's work incubating new charities working in farm animal welfare.

Schmidt Futures

Supporting Charity Entrepreneurship to develop an automated vetting infrastructure to enable scaling.

Seed Donors

Donors from Charity Entrepreneurs seed network to fund incubated charities.

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

16. Movements in funds (continued)

Prior period comparative
(restated)

	At 20 September 2021 £	Income £	Expenditure £	At 31 March 2022 £
Restricted funds				
Effective Ventures Foundation	-	218,294	-	218,294
Good Ventures Foundation	-	533,293	(202,323)	330,970
Schmidt Futures	-	163,740	(1,734)	162,006
Seed Donors	-	163,015	(163,015)	-
Total restricted funds	-	1,078,342	(367,072)	711,270
Unrestricted funds				
General funds	-	429,933	(10,038)	419,895
Total unrestricted funds	-	429,933	(10,038)	419,895
Total funds	-	1,508,275	(377,110)	1,131,165

17. Operating lease commitments

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

	2023 £	2022 £
Amount falling due:		
Within 1 year	105,580	-
Within 1 - 5 years	6,500	-
	112,080	-

Charity Entrepreneurship

Notes to the financial statements

For the year ended 31 March 2023

18. Related party transactions

The two Co-Executive Directors of Charity Entrepreneurship, Joseph Savoie and Karolina Sarek, are co-founders of Charity Science Foundation of Canada ((809636236 RR 0001). In the prior year, Charity Science Foundation of Canada paid grants totalling £290,195 to Charity Entrepreneurship (including £125,215 of restricted funding to fund two incubated charities). In the current year, Charity Entrepreneurship paid a grant of £14,120 to Charity Science Foundation of Canada to cover core operating expenditure.

Due to the nature of the charity's activities and the composition of the Board it is inevitable that transactions may take place with seed organisations in which a member of the Board or an employee of Charity Entrepreneurship may have an interest. All transactions involving organisations in which a member of the Board may have an interest are conducted at arm's length and in accordance with the respective organisations normal procedures.

Thomas Billington is a trustee of Charity Entrepreneurship. His partner is employed by the charity and received employee benefits of £37,204 during the year.

A trustee, Brendan Eappen, is the co-founder of Fortify Health. During the year, Charity Entrepreneurship paid Fortify Health a grant totalling £78,442.