

Company number: 07679479

Charity number: 1145224

Big Change Charitable Trust

Report and financial statements

For the year ended 31 December 2016

Big Change Charitable Trust

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Big Change Charitable Trust

Reference and administrative information

For the year ended 31 December 2016

Company number	07679479	
Charity number	1145224	
Registered office	Hanover House 14 Hanover Square London W1S 1HP	
Country of registration	England & Wales	
Country of incorporation	United Kingdom	
Operational address	The Battleship Building 179 Harrow Road London W2 6NB	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: P. Nevin Chair H. K. T. Branson S. E. C. Branson (appointed 12 January 2017) B. J. Hay (appointed 12 January 2017) I. A. McGregor R. Perry S. Richardson D. Scott B. York	
Key management personnel	Vanessa North Alex Walters	Managing Director Managing Director (to December 2016)
Bankers	Barclays Bank Leicester LE87 2BB	
Solicitors	Harbottle and Lewis LLP Hanover House 14 Hanover Square London W1S 1HP	

Big Change Charitable Trust

Reference and administrative information

For the year ended 31 December 2016

Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane LONDON EC1Y 0TL
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The trustees present their report and the audited financial statements for the year ended 31 December 2016.

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 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. Chairman's report

Big Change was set up to think differently about how charity can be a catalyst for positive, long-term change for young people in the UK.

Since our launch in 2012 we have been learning by doing: identifying and backing the powerful ideas that are rethinking how we set young people up to thrive in life, not just in exams. We are continually evolving our approach to meet the needs of young people and the broader sector by taking advantage of our unique assets to drive change.

Below is a highlight of our work and focus against the three pillars of our strategy in 2016:

IMPACT – Focusing on key outcomes

Big Change back powerful ideas, in 2016 we recognised that we can have greater impact by focusing on outcomes vs individual projects. We have initially identified 3 areas where there is a clear need and opportunity for change. Our impact will be through a combination of 1) backing a joined up portfolio of projects and 2) supporting this with convening key stakeholders, research and advocacy. Our work in 2016 across these three areas is as follows:

- **Oracy** – we continued, and extended, our support of Voice 21 (21 Trust) with a new grant of £89,000; partnered with sector experts to build our knowledge and emergent narrative; and designated £300,000 of STRIVE funds to support new projects in 2017.
- **Teacher Wellbeing** – we launched cross-sector research (£20,880) to deepen our knowledge and evidence around the issues facing teachers; and designated £300,000 of STRIVE funds to support new projects in 2017.
- **Broadening Horizons** – we continued our support of Reclaim and Generation Change and made a new grant to City Year of £95,000.

COMMUNITY – Growing our community for the long term

In 2016 we ran our second major STRIVE challenge. We raised £1,469,003 to fund Big Change projects and raised the profile of our mission and projects through powerful coverage (140 news items, 881 million impressions on social media). At its core STRIVE is about building a community of long term supporters – 260 extraordinary strivers took part, from social entrepreneurs to business leaders, potential funders and high profile influencers – to fund and accelerate our project's impact.

We recognise that ambitious mass participation events like STRIVE are complex and are pleased to say that the event was not only a huge success in terms of funds raised, community building and profile raising, but turned a trading profit of £81,791.

In addition to STRIVE, we ran a series of supper events and a donor weekend to engage high potential donors with Big Change as we transition to diversifying our income streams.

ADVOCACY – Laying foundations for thought leadership

Big Change's mission is to transform the way we support the next generation – rethinking how we set young people up to thrive in life vs just exams. A key part of that is around changing mindsets and creating the demand for a new way of thinking and doing through thought leadership and convening experts. Building on our existing research around the power of growth mindset we partnered with Demos on a project around 'redefining success' (£36,000)– combining input from practitioners, young people and sector experts with a review of the latest thinking around what young people need to thrive in life.

This research will combine with a larger initiative around Reimagining Education that we are launching in partnership with a cross-sector, cross-discipline group of leaders in 2017.

In addition to our increased knowledge base and point of view through research, we have also been investing in our own communications and marketing in order to build our brand and audience for both fundraising and partnerships.

We are grateful to Virgin Unite for funding our overheads in 2016. Their support has enabled us to build our own capacity to raise funds and catalyse impact in the sector. We now stand on strong foundations to attract further funding for our core costs and projects from sources beyond Virgin Unite and STRIVE in 2017.

Philip Nevin (Chairman)

Essie North (Managing Director)

2. About Big Change

Big Change is a social impact accelerator. We back big ideas that are rethinking how we set young people up to thrive in life, not just exams.

We do that by finding, incubating, and connecting powerful ideas to the people, funding and support that can make change a reality. Recognising that change doesn't happen by doing more of the same, there are two key things that we do differently:

1. Our Focus – our project partners give young people the skills, opportunities and support to thrive in life, not just in exams. All of our project partners work preventatively and systemically and we strive to understand and deal with root causes of problems rather than their symptoms. We aim to:
 - i. Give young people the skills to believe in themselves and drive change in their own lives and the world around them eg. We are actively supporting Voice 21's work to build young people's communication and social skills – or Oracy. This is a critical skill gap that underpins academic attainment, mental health, healthy relationships and employability.
 - ii. Help young people access the opportunities they need to develop and grow. Our focus on helping young people broaden their horizons through our work with Reclaim, City year, NCS and Generation Change.
 - iii. Create environments of support for young people where change is possible – often that means understanding and working with key adults including parents, teachers, social worker or guardians. Our early work into teacher wellbeing and support of Frontline are examples of our work in this area.
2. Our Approach – we support big ideas at an early stage to help them prove their impact and grow. We work closely with our partners to develop and implement their plans recognising that early stage ideas often need flexible and tailored support. We think about impact in three ways:
 - i. Potential for impact – we look for projects that have the potential to drive exponential rather than incremental change. They address a clear need or gap in the current way things are done to drive long-term, systemic change.
 - ii. Growing organisational capacity – we help organisations to become sustainable and capable of driving impact at scale. We cover operating costs and amplify investment through connections, partnerships, and profile.
 - iii. Impact on Young People – the core purpose of our projects is to drive positive change for young people, equipping them with the skills, experiences and opportunities to thrive. While each project is different, all share the common goal to empower young people.

3. Our impact

	2016 Achievements	2017 Future Activities
Projects	<ul style="list-style-type: none"> - Supported two new projects from Voice 21 and City Year - Provided ongoing support to existing projects (21 Trust, RECLAIM, Generation Change) - Launched proactive work into the area of teacher wellbeing - Conducted a impact review, partnering with NPC 	<ul style="list-style-type: none"> - Launch our three key outcome areas 1) Oracy 2) Teacher Wellbeing 3) Broadening Horizons - Publish our emergent narrative based on convening and learning from experts in the sector around each outcome area - Identify and back 2-4 new projects in all three outcome areas - Continue to provide support to ongoing projects (City Year, Voice 21)
Community	<ul style="list-style-type: none"> - Raised £1.47m through the Virgin STRIVE Challenge - Expanded our community of long term supporters and donors (260 strivers – 50% new) - Initial building of our Catalyst Circle of key supporters to Big Change's core approach and R&D - Developed and delivered a suite of annual community events including a donor dinner, a donor weekend and an Impact Event 	<ul style="list-style-type: none"> - Launch 'funding circles' to directly support our three outcome areas – each to raise £300k, match funded by STRIVE - Launch the Catalyst Circle – building additional partners and donors to support Big Change core costs - Run a STRIVE Morocco fundraising and community building event - Proactively build our pipeline of high net worth donors (entrepreneurs and venture capital)
Research and Advocacy	<ul style="list-style-type: none"> - Commission research into 'redefining success' in partnership with Demos, including focus groups - Convene experts, practitioners and influencers in teacher wellbeing to investigate and build our emergent narrative - Launch our youth advisory board, putting the voice of young people at the heart of what we do - Publish updated marketing materials and overview for STRIVE participants and media 	<ul style="list-style-type: none"> - Launch research around redefining success to outline and advocate for broader outcomes for young people - Partner with Virgin Unite on gathering and research/advocacy around Reimagining Education - Launch our emergent narrative around our three key outcome areas to focus project selection and drive advocacy for change - Publish 5th anniversary in depth impact report and strategy

In 2016, we undertook a project finding process and pledged a total of £184,000 to two new projects and £74,880 to research into key areas for change. Details of the process, the projects and that research are below.

Project finding process

We source partner projects through a formal tender process where we issue a 'Request for Proposals' to our existing networks and the wider market and ask would be applicants to submit a one page proposal outlining their idea and the potential behind it.

In 2016 we included an emergent narrative around growth mindset and setting young people up to thrive in life, vs just in exams. This helped to guide applicants to the areas we had identified through research and led to a higher quality of application.

We conduct an initial review of all the proposals we receive (we received 58 proposals in total in 2016) and progress the strongest ideas based on the criteria below – we expect roughly 10% of projects to make it through this initial stage. The projects we take to the second round must be:

- of clear benefit to children and/or young people aged 0–25 in the UK;
- based on a new or unproven idea or new application of an existing idea (e.g. in new sector/geography);
- able to have an impact on the broader sector as much as on immediate beneficiaries;
- connected to the development of life skills and related opportunities (e.g. communication, teamwork, emotional resilience);
- based on evidence that it *could* work, even if there isn't a track record demonstrating that it *has* worked.

In the second round we ask projects to submit a fuller 6 – 8 page proposal explaining the idea in more detail, the people behind it and how Big Change could contribute outside of gifting money. We also ask for a full budget and timeline. We conduct thorough research into the validity of the idea by consulting sector experts, on the ground practitioners (eg. teachers) and qualified members of our own community on the need and likely success of the project. Management makes a recommendation to trustees about which particular projects to support based on that consultation and then conducts relevant due diligence per clause 8. In order to arrive at a particular recommendation, we pay particular attention to the following:

- How much of an impact could the project have on the wider sector?
- How much of an impact could Big Change have on the project? ie. what can we bring that others couldn't?

For those projects that had a bold ambition but the proposal for action wasn't quite ready for funding we have a pipeline and are supporting the organisation to develop their plans for potential future funding.

There were key areas that were identified as great opportunities for impact: 1) further support around Oracy 2) deepening our understanding to fund teacher wellbeing 3) broadening horizons

New projects in 2016

City Year (£95,000) – (Broadening Horizons)

Supporting the idea of a 'service year'; an opportunity for young adults to take part in a structured and safe experience that helps them develop a sense of purpose and give back to their communities in a real world setting. Big Change is working with City Year to conduct research to develop and advocate formal recognition for a service year.

Voice 21 (£89,000) – (Oracy)

Commissioning research and advocacy around the state of speaking in schools as part of the broader agenda setting. Developing a set of ambitious recommendations for how speaking can, and should be, integrated into the daily lives of pupils – to be leveraged by the newly formed cross-sector group The Oracy Network to influence policy and sector action.

Sector Research for Impact

Demos – Redefining Success (£36,000)

The project will challenge current understandings of 'success' and the purpose of education – too often narrowly defined through academic results, which fail to capture the full range of knowledge and skills necessary for happy, fulfilling lives. Working with expert partners, leading researchers and exemplar organisations, it will seek to understand what attributes matter for later life success, how these are developed, and what changes need to be made at various levels to ensure that all young people leave full-time education with them. We will publish results to advance the sector's understanding and support the impact of our projects.

The Social Investment Consultancy – Teacher Wellbeing Research (£20,880)

In 2015 and 2016 we received a number of proposals around teacher wellbeing as a problem area in ensuring that we set the next generation up to thrive in life. Recognising the complexity of this area, we decided that rather than funding straight away we would conduct a period of active research with practitioners, experts and the sector to better understand the root causes of the issues. Ten Years' Time helped to facilitate this learning process and document our emergent narrative that is both valuable as an advocacy tool and to ensure we back and guide projects to address areas of highest potential impact.

KP Fox – Reimagining Education (£18,000)

Early scoping for our initiative to convene global thought leaders, experts and pioneers around how to Reimagine Education so young people thrive in life vs just in exams. KP Fox supported interviews with practitioners and experts, market mapping and early research into the key themes and opportunities for change. This work formed the foundation and framework of our March 2017 gathering of cross-sector leaders to unite in thought leadership and advocacy on the change needed in how we support the next generation.

Projects from previous years

Reclaim (£149,000)

RECLAIM's goal is to end leadership inequality within a generation. They aim to nurture and galvanise the talent of young people aged 12–15 who are natural leaders at risk of failing to reach their potential. Big Change is working with RECLAIM to build on their experience and extend their impact to national scale through the Fairer Futures campaign. This programme has set out to bridge the gap that exists between young natural leaders from working class backgrounds and business, media, politics and education. The research will consult researchers, sector experts and business leaders to publish a manifesto for change and a campaign to ensure that the findings are seen, heard and change is implemented.

Generation Change (£30,000)

Generation Change is a coalition of 18 UK youth social action providers that are committed to improving their impact. Their members support over 600,000 young people a year to create social change in all parts of the UK, with beneficial impacts for both the young person themselves and the community; what they refer to as a 'double benefit' model. Big Change is working with Generation Change to develop a 'quality mark' for youth social action. The project will build the evidence base for what good social action looks like and will also develop a formal assessment of social action projects that will allow those projects to learn and improve.

21 Trust (£166,060)

21 Trust believe we need to look again at how to educate children in the 21st century. A key one of those is the need for effective speaking and communication skills – for young people to find their voice, build relationships and engage effectively both socially and professionally. While the curriculum has been developed in School 21 we are helping them to scale to other types of school nationally, and advocate for Oracy to be at the same level as Numeracy and Literacy in the curriculum.

4. Financial review

Operating budget and grant making

We are grateful to Virgin Unite for support our overheads and their grant of £324,510 covered all staff and operating costs (this excludes grants, trading company costs, donations in kind, direct charitable spend). During the course of the year Big Change received donations in kind amounting to £46,000 (2015: £46,000), for which 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.

During the year the cost of charitable activities was £583,161 (2015: £494,692). This includes direct grants to institutions of £184,000 (2015: £269,630) as highlighted in Section 3, Our Impact. For the 12 month period ending 31 December 2016, income exceeded costs by £1,193,603 (2015: costs exceeded income by £198,981). Consolidated unrestricted reserves increased during the period to £1,337,771 (2015: £144,168).

STRIVE Challenge

In 2016 we developed and delivered a large scale STRIVE Challenge that saw 260 strivers take part, with a core team of 25 hiking, biking, swimming and running from the Matterhorn to Mount Etna across the full month of September. This was double the length and ambition of the inaugural STRIVE challenge in 2014 and raised £1.47million for Big Change projects. It also helped us to develop new relationships with influential community members and raise the profile of our mission through traditional and social media.

Income from fundraising events including STRIVE was £2,717,052 (2015: £154,796) which comprised mainly charitable donations of £1,469,003 (2015: £116,627). The direct costs of the STRIVE event in 2016 totalled £1,161,758 (2015: £49,841).

Going concern and reserves policy

The Board of Trustees are of the opinion that 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.

Trustees' policy is that Big Change should retain at least 12 months of working capital, in the form of either cash or contacted income and based on predicted known operating costs, at all times. 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.

We aim to have £470,000 of cash and paper reserves by 31st December 2016. For the 12 months to 31st December 2017, we forecast operating costs of £469,954 and that is partially covered by a grant of £222,037 from Virgin Unite. 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 (eg. applicant's website, 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; and
- records and reports impact of the grant.

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.

7. Structure, governance & management

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

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

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

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

8. The appointment and recruitment of Trustees

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

9. Objectives and activities

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

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

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

Big Change Charitable Trust

Trustees' annual report

For the year ended 31 December 2016

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
Financial: Big Change is heavily reliant on income from Virgin Unite to cover our overheads and donations from STRIVE to fund our grant making	<ul style="list-style-type: none">• Diversify our income sources through the launch of direct fundraising for outcome areas (syndicated of funding to launch in 2017) and expanding the organisations backing our core costs (Catalyst Circle to launch in 2017)• Develop and clarify our fundraising 'ask'; and• Ensure that we retain adequate reserves from future STRIVE events and review reserve levels at quarterly trustee meetings
Operational: Big Change is a small team and the organisation is reliant on a relatively small number of people to function day to day	<ul style="list-style-type: none">• Support operational team with learning opportunities and strong benefits structure (eg. coaching);• Restructuring team around key skills; setting up for the future strategy (implemented 2017)• Maintain clear and regular dialogue between the operational team and Trustees; and• Ensure that roles carried out within the team are ones that we could hire for
Reputational: Big Change receives donations from a number of donors and there is a risk of receiving funds from inappropriate sources	<ul style="list-style-type: none">• Ensure that adequate due diligence is carried out on all potential big gift donors; and• Maintain clear paper trails for all donations received
Charitable: Big Change grants funds to a number of different organisations and there is a risk that money is spent inappropriately	<ul style="list-style-type: none">• Management team to keep in regular contact with grantees; and• Ensure that grantees are reporting back to Big Change per grant agreements

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

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 2016 no specific investment policy was in place and the Charity does not consider it necessary to implement such a policy during the current year.

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.

13. Statement of responsibilities of the trustees

The trustees (who are also directors of Big Change Charitable Trust for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Big Change Charitable Trust

Trustees' annual report

For the year ended 31 December 2016

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.

14. Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 4 September 2017 and signed on their behalf by

P Nevin
Chair of Trustees

D Scott
Trustee

Opinion

We have audited the financial statements of Big Change Charitable Trust (the 'charitable company') for the year ended 31 December 2016 which comprise the consolidated statement of financial activities, balance sheets, consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 group's and of the parent charitable company's affairs as at 31 December 2016 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

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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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 charitable company and its 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 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 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

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. 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.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Independent auditor's report

To the members of

Big Change Charitable Trust

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Noelia Serrano (Senior statutory auditor)

21 September 2017

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Big Change Charitable Trust

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

For the year ended 31 December 2016

	Note	Unrestricted £	Restricted £	2016 Total £	2015 Total £
Income from:					
Donations and legacies	2	1,779,513	60,000	1,839,513	463,452
Other trading activities	3	1,248,049	–	1,248,049	38,169
Total income		3,027,562	60,000	3,087,562	501,621
Expenditure on:					
Raising funds		1,310,798	–	1,310,798	205,910
Charitable activities					
Impact		309,450	60,000	369,450	494,692
Community		122,347	–	122,347	–
Advocacy		91,364	–	91,364	–
Total expenditure	4	1,833,959	60,000	1,893,959	700,602
Net income/(expenditure) for the year and net movement in funds		1,193,603	–	1,193,603	(198,981)
Reconciliation of funds:					
Total funds brought forward		144,168	–	144,168	343,149
Total funds carried forward		1,337,771	–	1,337,771	144,168

All income and expenditure in 2015 was unrestricted.

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 financial statements.

Big Change Charitable Trust

Balance sheets

Company no. 07679479

As at 31 December 2016

	Note	The group 2016 £	2015 £	The charity 2016 £	2015 £
Fixed assets:					
Investments	11	–	–	1	1
		–	–	1	1
Current assets:					
Debtors	13	112,621	26,027	139,898	55,754
Cash at bank and in hand	19	1,463,239	388,735	1,366,233	313,053
		1,575,860	414,762	1,506,131	368,807
Liabilities:					
Creditors: amounts falling due within one year	14	238,089	270,594	168,363	212,970
Net current assets		1,337,771	144,168	1,337,768	155,837
Total net assets	16a	1,337,771	144,168	1,337,769	155,838
Funds:	17a				
Unrestricted income funds:					
General funds		737,771	144,168	737,769	155,838
Designated funds		600,000	–	600,000	–
Total unrestricted funds		1,337,771	144,168	1,337,769	155,838
Total funds		1,337,771	144,168	1,337,769	155,838

Approved by the trustees on 4 September 2017 and signed on their behalf by

P Nevin

I. A. McGregor

Big Change Charitable Trust

Consolidated statement of cash flows

For the year ended 31 December 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	18	1,074,504	(114,810)
Change in cash and cash equivalents in the year		1,074,504	(114,810)
Cash and cash equivalents at the beginning of the year		388,735	503,545
Cash and cash equivalents at the end of the year		1,463,239	388,735

1 Accounting policies

a) Statutory information

Big Change Chairtable Trust is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is Hanover House, 14 Hanover Square, London, W1S 1HP.

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) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) 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 BC 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.

c) Public benefit entity

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

d) Going concern

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.

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 unrestricted funds earmarked by the trustees for particular purposes.

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
- 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
- Other expenditure represents those items not falling into any other heading

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)

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

● Grant Making	45%
● Support costs	45%
● Governance costs	15%

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) 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.

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) 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.

p) 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. Cash balances exclude any funds held on behalf of service users.

q) 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.

r) 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.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2016 Total £	2015 Total £
Virgin Unite	324,510		324,510	300,825
Donated services	46,000	–	46,000	46,000
Charitable Donations	1,409,003	60,000	1,469,003	116,627
	1,779,513	60,000	1,839,513	463,452

The donated goods and services consisted of accountancy, taxation, legal support and free rent provided by Virgin Management Limited throughout the period.

3 Income from other trading activities

	Unrestricted £	Restricted £	2016 Total £	2015 Total £
Sponsorship (events inc. STRIVE)	461,494	–	461,494	–
Entry Fees (events inc. STRIVE)	786,555	–	786,555	38,169
	1,248,049	–	1,248,049	38,169

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2016

4 Analysis of expenditure

		Charitable activities						
	Cost of raising funds £	Impact £	Community £	Advocacy £	Governance costs £	Support costs £	2016 Total £	2015 Total £
Staff costs (Note 7)	84,068	84,067	56,045	28,022	28,022	–	280,224	206,832
Events	994,779	–	–	–	–	–	994,779	38,596
Marketing	146,758	–	43,802	9,342	–	–	199,902	32,034
Research and Content		27,530	22,500	54,000	–	–	104,030	31,074
Office and Premises costs			–	–	–	46,000	46,000	46,000
General Expenses						45,310	45,310	15,771
Legal and Professional	22,679	11,339	–	–	3,780	–	37,798	59,896
Grants awarded (note 5)		184,000	–	–	–	–	184,000	269,630
Trustee Insurance			–	–	1,916	–	1,916	769
	<u>1,248,284</u>	<u>306,936</u>	<u>122,347</u>	<u>91,364</u>	<u>33,718</u>	<u>91,310</u>	<u>1,893,959</u>	<u>700,602</u>
Support costs	45,655	45,655	–	–	–	(91,310)	–	–
Governance costs	16,859	16,859	–	–	(33,718)	–	–	–
Total expenditure 2016	<u>1,310,798</u>	<u>369,450</u>	<u>122,347</u>	<u>91,364</u>	<u>–</u>	<u>–</u>	<u>1,893,959</u>	
Total expenditure 2015	<u>205,910</u>	<u>494,692</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>		<u>700,602</u>

Of total expenditure, £60,000 (2015: £nil) was restricted.

Big Change Charitable Trust

Notes to the financial statements

For the year ended 31 December 2016

5 Grant making

	Grants to institutions £	2016 £	2015 £
Youth in Action	–	–	15,000
RECLAIM	–	–	149,630
Generation Change	–	–	30,000
Frontline	–	–	75,000
City Year	95,000	95,000	–
Voice 21	89,000	89,000	–
At the end of the year	184,000	184,000	269,630

	2016 £	2015 £
Reconciliation of movements in grant creditors		
Brought forward grant creditor	206,940	208,980
Add: Grants awarded in the year	184,000	269,630
Less: Grants paid in the year	(256,940)	(271,670)
Carried forward grant creditor (note 14)	134,000	206,940

6 Net incoming resources for the year

This is stated after charging:

	2016 £	2015 £
Trustees' indemnity insurance	1,916	769
Auditor's remuneration (excluding VAT):		
Audit	6,250	6,000

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

Staff costs were as follows:

	2016 £	2015 £
Salaries and wages	229,973	134,622
Redundancy and termination costs	24,000	–
Social security costs	26,251	72,210
	280,224	206,832

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

	2016 No.	2015 No.
£60,000 – £69,999	2	2

The total employee benefits including employer's national insurance of the key management personnel were £174,529 (2015: £134,082).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2015: £nil). No charity trustee received payment for professional or other services supplied to the charity (2015: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2015: £715) incurred by 0 (2015: 1) 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:

	2016 No.	2015 No.
Raising funds	2.0	1.5
Grant Making	2.5	2.0
	4.5	3.5

9 Related party transactions

During the year legal fees of £25,378 (2015:£19,102) were paid to Harbottle and Lewis LLP in respect of legal services provided to the charity in connection with secretarial duties and advice in relation to sponsorship contracts, intellectual property, employment and all adhoc legal queries. 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 2016 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 £46,000 (2015:£46,000). Holly Branson is a trustee of Big Change and works full time at Virgin Management Limited.

A number of Virgin companies gifted money to Big Change in respect of the STRIVE Challenge – between them, Virgin Money and Virgin Pulse gifted a total of £125,000. Holly, and her brother Sam Branson, are founders of Big Change (Holly is also a Trustee) and both are employed by a subsidiary of Virgin Group Holdings (the holding company for the Virgin Group).

During the year accommodation fees for Big Change team members of £7,500 (2015: £nil) were paid to Eilean Shona Management Limited to hold a Catalyst Circle donor weekend at Eilean Shona. Vanessa Branson is a Director of Eilean Shona Management Limited and is also Holly and Sam's Auntie.

Virgin Enterprises Limited agreed to become headline sponsor for the STRIVE Challenge 2016 and paid a fee of £225,000. Holly and Sam Branson are employed by a subsidiary of Virgin Group Holdings (the holding company for the Virgin Group). In 2013 and the early part of 2014, Big Change undertook a public sponsorship process to ensure that we were licensing our rights in the STRIVE Challenge for the market rate.

Virgin Unite has provided the charity with an unrestricted grant of £324,510 (2015:£300,000) to cover the core costs of the charity. Holly Branson is a trustee of Big Change and is Chairperson of Virgin Unite.

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 Limited gift aids available profits to the parent charity. Its charge to corporation tax in the year was:

	2016	2015
	£	£
UK corporation tax at 20% (2015: 20%)	-	-

11 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of Big Change Trading Limited, a company registered in England. 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:

	2016 £	2015 £
Turnover	1,243,549	38,169
Cost of sales	(1,161,758)	(49,841)
Gross profit	81,791	(11,672)
Administrative expenses	-	-
Profit / (loss) on ordinary activities	81,791	(11,672)
Deed of covenant to parent undertaking	(70,119)	-
Profit / (loss) for the financial year	11,672	(11,672)
The aggregate of the assets, liabilities and funds was:		
Assets	190,600	101,707
Liabilities	(190,599)	(113,378)
Funds	1	(11,671)

12 Parent charity

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

	2016 £	2015 £
Gross income	1,868,132	417,452
Result for the year	1,181,932	(187,311)

13 Debtors

	The group		The charity	
	2016	2015	2016	2015
	£	£	£	£
Trade debtors	97,621	1,408	4,025	–
Prepayments	–	24,619	–	–
Accrued income	15,000	–	15,000	–
Amounts owed by Subsidiary	–	–	120,873	55,754
	112,621	26,027	139,898	55,754

14 Creditors: amounts falling due within one year

	The group		The charity	
	2016	2015	2016	2015
	£	£	£	£
Trade creditors	10,296	3,630	3,613	–
Grant Creditors	134,000	206,940	134,000	206,940
Accruals	93,793	6,030	30,750	6,030
Deferred income (note 15)	–	53,994	–	–
	238,089	270,594	168,363	212,970

15 Deferred income

Deferred income comprises entry fees and donations in relation to STRIVE 2016

	The group		The charity	
	2016	2015	2016	2015
	£	£	£	£
Balance at the beginning of the year	53,994	–	–	–
Amount released to income in the year	(53,994)	–	–	–
Amount deferred in the year	–	53,994	–	–
Balance at the end of the year	–	53,994	–	–

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

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Net current assets	737,771	600,000	–	1,337,771
Net assets at the end of the year	737,771	600,000	–	1,337,771

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

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Net current assets	144,168	–	–	144,168
Net assets at the end of the year	144,168	–	–	144,168

17a Movements in funds (current year)

	At the start of the year £	Income and gains £	Expenditure and losses £	Transfers £	At the end of the year £
Restricted Funds	–	60,000	(60,000)	–	–
General funds	144,168	3,027,562	(1,833,959)	(600,000)	737,771
Designated funds	–	–	–	600,000	600,000
Total funds	144,168	3,027,562	(1,833,959)	–	1,337,771

Designated funds are described in the Chairman's report on page 3.

17b Movements in funds (prior year)

	At the start of the year £	Income and gains £	Expenditure and losses £	Transfers £	At the end of the year £
General funds	343,149	501,621	(700,602)	–	144,168
Total funds	343,149	501,621	(700,602)	–	144,168

18 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2016 £	2015 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	1,193,603	(198,981)
(Increase)/decrease in debtors	(86,594)	32,396
(Decrease)/increase in creditors	(32,505)	51,775
Net cash provided by/(used in) operating activities	1,074,504	(114,810)

19 Analysis of cash and cash equivalents

	At 1 January 2016 £	Cash flows £	Other changes £	At 31 December 2016 £
Cash at bank and in hand	388,735	1,074,504	–	1,463,239
Total cash and cash equivalents	388,735	1,074,504	–	1,463,239

20 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.