

Company no. 07660799
Charity no. 1159291

British Future
Report and Audited Financial
Statements
for the year ended
31 March 2020

British Future

Reference and administrative details

For the year ended 31 March 2020

Company number 07660799

Charity number 1159291

Registered office and operational address 6 Kean Street
London
WC2B 4AS

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:

Andrea Als
Qari Asim
Shirley Cramer Chair
Robert Duffy
Ed Greig
Laura Harrison
Howard Jackson
Sam Jacobs appointed on 18 July 2019
Alasdair Murray
Ayesha Saran
Shailesh Solanki

Director Sunder Katwala

Bankers Metro Bank
1 Southampton Row
London
WC1B 5HA

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

British Future

Report of the trustees

For the year ended 31 March 2020

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2015).

The trustees have pleasure in presenting their report and the financial statements of the company for the year ended 31 March 2020.

Structure, governance and management

British Future ("the charity") is constituted as a company limited by guarantee and is governed by a Memorandum and Articles of Association.

On 20 November 2014, the charity was registered by the Charity Commission in recognition of its charitable status.

Appointment of trustees

The directors of the charity are its trustees and throughout this report are collectively referred to as the trustees. As set out in the charity's Articles of Association, trustees are elected by the members of the charity. The trustees have the power to appoint and fill casual vacancies. When a vacancy arises the board considers the skill set and what gaps there are. New trustees can be nominated by any trustee, and can be recruited by advertisement or by targeting through professional contacts. Potential trustees are invited to apply to the chair who will arrange an interview with the trustee appointment sub-committee.

Induction and training of trustees

Trustees are given an in-depth introduction to the charity and the role of trustees through meetings with other trustees (including the chair) and meetings with staff (including the director). New trustees are also given relevant documentation including recent research, meeting minutes and annual reports. Workshops specifically for trustees are held at least once a year.

Organisational structure

A board of at least six and no more than twelve trustees administers the charity. The trustees of the charity are also its company law members. The day-to-day running of the charity is delegated to staff under the leadership of the director. The board of trustees meets on a quarterly basis primarily to discuss issues of strategic direction, both in relation to the running of the charity and the research priorities. They therefore approve an annual strategic plan and budget before the start of the year and then monitor progress against the plan during the year.

Sub-committees

The charity has established an Operations and Governance Committee (OGC), which meets at least quarterly, making quarterly reports and recommendations to the board of trustees for their approval. The OGC has delegated responsibility from the board of trustees for ensuring that there is a framework for accountability; for examining and reviewing all systems and methods of control, both financial and otherwise (i.e. administrative and human resources), as well as risk analysis and risk management; and for ensuring the charity is complying with all aspects of the law, relevant regulations and good practice. The board itself is committed to conducting an annual review of risks as well as acting on recommendations from the OGC.

British Future

Report of the trustees

For the year ended 31 March 2020

During 2019/20, a Nominations Committee was set up. It is a sub-committee of the board of trustees and its main aims are to maintain an overview of the composition of the board of trustees and to ensure that the members collectively provide the expertise and experience required for the governance of the board. It also leads on recruitment of the trustees.

Public benefit

The trustees are conscious of and comply with the charity's duty to provide public benefit as that term is used in charity law and the Charity Commission's guidance on public benefit. The charity's activities are directed toward the fulfilment of the charity's charitable purposes and the delivery of public benefit.

The principal ways in which the charity provides public benefit is through the provision of objective, unbiased information, not otherwise available to the general public on matters relating to cultural identity and integration, migration and equality of opportunity. The information is presented in a variety of ways through diverse media, which allow a wide section of the public to have access to the information. The information is "educational" in the charitable sense and valuable to the general public because it is not available from other sources. The widespread use and referencing of the information by academics, educational institutions and mainstream media and commentators alike reflects the 'need' for it and the public benefit in providing it.

Without information of this sort, it would be hard for the general public and interested academic and other institutions to achieve a full and balanced understanding of responses to cultural identity and integration, migration and equality of opportunity.

Objectives and activities

The main objectives for the year reflect those set out in the organisation's strategy:

- Informing the future of UK immigration policy beyond Brexit;
- Developing a proactive approach to integration, encouraging more institutions and citizens to play a role in social connection;
- Protecting the status and rights of EU nationals resident in Britain beyond Brexit; and promoting the value of citizenship;
- Working to combat prejudice, xenophobia and extremism of all kinds; and
- Sharing relevant lessons of our work with organisations doing similar work around the UK and abroad.

Achievements and performance

Informing the immigration debate

The proposed immigration reforms are the biggest changes in immigration policy for half a century. British Future's research, polling and events have explored the potential of this 'reset moment' to broaden public confidence in how migration and integration in the UK can be fair to those who come to contribute to the UK and to the communities that they join, identifying the contributions which government policy, and other political, economic and civic society voices can make towards the goal.

British Future

Report of the trustees

For the year ended 31 March 2020

A July 2019 report 'Immigration After May: What should the new Prime Minister change?' included new public attitudes research and analysis of the future lessons from the experiences of immigration policy over the last decade. MPs from all the main political parties as well as business and civic society voices contributed to the report – each identifying the main lesson of the last decade and their priorities for future policy change. A further publication 'The Reset Moment: Immigration in the new parliament' (March 2020) produced with Kings College London, contained a detailed overview of public attitudes to immigration, with new research conducted in January 2020, following the December 2019 general election, setting out analysis of the major policy challenges for the newly elected parliament, including the Immigration Bill due to come before parliament in 2020.

British Future shared its research on immigration with decision-makers, civic society and business stakeholders and public audiences in several events, including a public conversation with Home Secretary Sajid Javid in July 2020; events at the Conservative and Labour Party conference fringes; and by speaking in many academic, business and civic society forums.

Citizenship and settlement

An inquiry into Citizenship policy, chaired by Alberto Costa MP, was launched in 2019, seeking to recommend policy reforms that could command a broad public and political consensus. British Future brought together groups of naturalised citizens and British-born citizens in Southampton and Edinburgh to discuss the citizenship process, making a short film of their deliberations, in addition to an open call for evidence to which 40 civic society groups contributed. The inquiry report will be published in 2020.

British Future continued to build on its work on protecting the rights of EU nationals, building on the recommendations in our January 2019 report 'Getting it right from the start', including engaging with decision-makers and public audiences, participating in the Home Office's user group with civic society groups, taking part in several public events on the theme, including events hosted by the3million and British in Europe, the Greater London Authority and others.

Promoting integration in polarised times

Bridging the divides in our society – by place, age and class as well as by race or faith – has rarely received the political attention it deserves. British Future is working to build effective broader civic coalitions for constructive action to bridge social divides.

British Future coordinated a public letter, working with a wide range of civic voices calling for the 2020's to be "a decade of reconnection". The letter, widely reported in the broadcast and print media on New Year's Day, called on institutions and individuals to make their own relevant contributions to a decade of reconnection, and a campaign was set up in order to continue the work.

Having helped incubate and govern the campaign, British Future has worked with other core stakeholders including Lambeth Palace to establish a new charitable entity to govern the campaign – the Together initiative.

Participating in the campaign as a core stakeholder will be a major focus for British Future's work in 2020/21 and beyond, including conducting a major public engagement exercise (Talk Together) and continuing to convene the policy group. The public launch of the Together campaign in June 2020 will seek to significantly increase participation in social connection.

British Future

Report of the trustees

For the year ended 31 March 2020

A British Future report 'Crossing Divides: how arts and heritage can bring us together' published in April 2019 looked at the lessons and legacy of the 14-18 Now cultural programme for the first world war centenary, identifying lessons to help cultural practitioners in bridging social divides. The research was presented at several events, including a major London conference to close the 14-18 Now programme, and the LGA culture and tourism conference, and was cited extensively in the DCMS Select Committee's own report on lessons of the centenary programme.

A report 'Speaking Up: The case for universal fluency in English', published in August 2019, set out recommendations for an effective strategy for universal fluency in the English language. Its recommendations, including a new freeview channel to supplement classes, were reported in the national and specialist press.

British Future published three rounds of research into the ethnic diversity of candidate selections and elected MP's. After an initial analysis in October 2019 warned that the parties were selecting fewer ethnic minority candidates than 5-10 years ago, the research identified a late "diversity surge" in selections, contributing to a record number of 65 ethnic minority MP's – reaching one in ten of the Commons for the first time, compared to one in 40 MP's a decade ago. This timely research was cited in media reporting, by the House of Commons Library and others.

British Future also became the secretariat of the All-Party Parliamentary Group on Social Integration. As the scale of the Covid-19 pandemic became clear, a rapid inquiry into social isolation in the pandemic was launched in March 2020, with an interim report published in the Spring.

Combating prejudice and xenophobia

British Future's campaigns seek to entrench anti-prejudice norms across society, and our research helps anti-prejudice advocates to communicate more effectively. A report 'Calling Out Hatred and Prejudice: A guide to communications, planning and messages' distils British Future's relevant attitudes research on race and prejudice into a practical guide to the range of audiences which anti-prejudice campaigners need to reach, with specific examples and lessons from campaigns which effectively engaged tougher audiences. Sara Khan, Lead Commissioner of the Counter-Extremism Commission, spoke at a launch workshop with relevant practitioners.

Our ongoing joint work with the British Legion in the 'Remember Together' project continued, with local events in Leicester, exploring the Indian Army's contribution, and in Boston, Lincolnshire, linking Polish and English communities in joint commemorations; and a roundtable on lessons and future challenges for broadening the reach of Remembrance across minority groups. The events were prominently reported in local media; and videos of the events shared online, and presented to relevant forums, such as the British-Polish Belvedere Forum at Chatham House.

The final report in British Future's tracking of attitudes during the first world war centenary - a project in partnership with the BBC; Commonwealth War Graves Commission; Department for Digital, Culture, Media and Sport; and Imperial War Museum – showed a significant growth in public awareness of Commonwealth contributions. Knowledge that Indian soldiers fought in the first world war had risen from 44% to 71% of the public. Knowledge that Muslim soldiers had fought for Britain a century ago rose from 22% to 38% across the centenary. British Future will continue to support practical projects to engage people from all backgrounds in understanding this shared history and its contemporary relevance.

British Future

Report of the trustees

For the year ended 31 March 2020

In the run-up to the General Election of December 2019, British Future held a public event 'Britain's Angriest Election?' in which civic society, academic and media voices discussed the challenges for ensuring democratic debate was open and robust without violating key foundations and norms of a democratic society. The event was also broadcast on the BBC Parliament channel.

Sharing lessons of our work

British Future staff acted as advisers to several organisations and projects, including the Home Office's EU settlement scheme user groups; the advisory group for the Commission for Counter-Extremism; the Deputy Mayor of London's Social Integration advisory group; an ESRC project on public engagement in the Brexit process, led by Professor John Curtice; the Royal British Legion and others.

British Future events engaged with practitioner and stakeholder audiences, hosted by organisations including:

| | |
|---|--|
| Barrow Cadbury Trust | Imperial War Museum |
| University of Bristol (Ethnicity Centre Anniversary Conference) | Kings College London |
| Birmingham 2022 Commonwealth Games | KPMG |
| British Red Cross | Local Government Association |
| ConservativeHome | Migration Museum |
| European Council on Foreign Relations | The Royal British Legion |
| European Foundation Centre | Save The Children |
| Festival of The Future City 2019 | Twitter |
| Fragomen | Leeds Migration Partnership (Yorkshire Integration Festival) |
| The Centre for Progressive Policy (Inclusive Growth Conference) | Welsh Government |

Publications

- Crossing Divides: How arts and heritage can bring us together (April 2019);
- The People's Centenary: Tracking public attitudes to the First World War Centenary 2013-2018 (April 2019);
- Winning The Argument To Keep Families Together (April 2019);
- Immigration after May: What should the new Prime Minister change? (July 2019); and
- The Reset Moment: Immigration in the new parliament (March 2020).

British Future

Report of the trustees

For the year ended 31 March 2020

British Future staff also regularly contributed to a wide spectrum of media outlets including all national daily and Sunday newspapers across the United Kingdom, many local newspapers and media outlets.

Impact of the Covid pandemic

The Covid pandemic in March 2020 reshaped the social and economic context. Organisationally, British Future entered 2020/21 in a stable and robust position, with the staff team able to adapt to remote working, and with stable finances, and to ensure our programme and activities were responsive to the changing context. This included conducting a rapid inquiry into social isolation during the Covid pandemic in its role as secretariat to the APPG on Social Integration, by refreshing our evidence base on attitudes to immigration and to social connection, and by making early contributions to shaping public understanding of significant ethnic disparities from Covid-19.

The launch of the Together campaign, calling for participation in the Decade of Reconnection, was rescheduled from March 2020 to launch in June and July 2020. Its focus would now include building on the legacy of volunteering and social connection during the pandemic, and an extensive programme of public engagement – Talk Together – to understand and share how public perceptions of social connection and division are changing.

There have been reassurances by core funders that promised support will not be compromised by the current pandemic. The Treasurer, Director and Office Manager review the cash flow on a regular basis to ensure that it is up-to-date and that there are the funds required for at least three months (as per the reserves policy) to continue operating. Public facing project work has been pushed back to the end of the summer, following government advice and restrictions.

Staff have not been furloughed and we continue to review staff operating costs. British Future is in a very fortunate position in that nearly all of its activities can be adapted to online, thus meaning we should be able to continue with minimal disruption.

Financial review

Income

During the year, British Future continued to receive core funding from the Barrow Cadbury Trust, Unbound Philanthropy, Sigrid Rausing Trust, Trust for London, the John Ellerman Foundation and the Paul Hamlyn Foundation.

This year also saw a number of specific projects, which were funded by grants from The British Red Cross, the Paul Hamlyn Foundation, MoneyGram, The Migration Museum and Global Dialogue.

In addition, the charity carried out specific work under contract for 14-18 Now, a major cultural programme, Crest Advisory and European Council on Foreign Relations.

After significant development work, the charity commenced work on its Decade of Reconnection project with donations from Mr Stephen Peel and Mr John Mills and support from Unbound Philanthropy for set-up costs.

So that the charity could host the event 'In conversation with Sajid Javid' in a more secure central London venue, a contribution of approximately half of the event venue hard costs was made by the office of Sajid Javid MP.

British Future

Report of the trustees

For the year ended 31 March 2020

Details of specific projects are set out in note 12 to the accounts.

The charity's work on the Together initiative is a major project that received significant new funding following the year end. As a result of this and thanks to the ongoing support of its original funders and funding from new supporters, the charity has sufficient funds to continue to fulfil its objectives in the short to medium term.

Notwithstanding this, the charity continues to develop its fundraising programme to ensure it has the funds necessary to carry out its objects and achieve its aims in the longer term.

The board also wishes to thank the Barrow Cadbury Trust for their substantial support to the charity in the form of donated facilities.

Expenditure

The charity's staff team was primarily focused on charitable activities and fundraising efforts during the year with additional external costs incurred to carry out strategic initiatives and to engage additional resources as required.

Reserves policy

As a general policy, the board has decided that the charity should hold three to four months of overhead expenditure in reserves, equivalent to around £100,000.

The timing of individual grant payments to the charity can make the positions of reserves at a point in time volatile and the board has decided that the best way to measure compliance with this policy is to carefully monitor the cash flow forecasts to ensure income and expenditure is in line with the target such that a minimum of £100,000 of cash funds is held in the bank account.

The unrestricted reserves for the charity at 31 March 2020 were £94,118 (2019: £66,919) and the cash balance was £156,479 (2019: £46,869).

Fundamental accounting concepts

As a not-for profit charity that has registered with the Charity Commission, the charity has prepared these accounts in accordance with Statement of Recommended Practice, Accounting and Reporting by Charities (Charities SORP 2015 – FRS 102).

Plans for future periods

The trustees plan to continue activities within the charity's charitable purposes, including promoting further useful, objective research with an educational value on issues relating to cultural identity and integration, migration and equality of opportunity.

The trustees also aim to develop new ways in which the public's experiences of responses to these issues may be better understood, including developing avenues of objective research that reflect the less-well understood aspects of emotional and subjective responses to these issues.

British Future

Report of the trustees

For the year ended 31 March 2020

The charity's priorities for the next period are:

- to conduct and disseminate objective research into public attitudes toward identity, culture and integration in British society; and into the economic, social and cultural impacts of migration, using both quantitative and qualitative research; disseminating this to the general public, through public events and contributions to the media;
- to disseminate the results of that research to the general public and in such a way as to inform in a balanced and objective way the public contributions of institutions involved in public debate of relevant topics (including business and trade unions; civic society groups; government and the major political parties); and, in particular, considering how to engage with the general public, including those with possibly deep anxieties about these issues, in a way which can engender interest in learning more and achieving a better understanding of public attitudes to these issues;
- to further deepen relationships with those working for constructive 'common ground' responses, bringing people together across different ethnic, faith and class backgrounds, and seeking to help such efforts engage general public audiences as fully as possible. We are particularly concerned to ensure that constructive efforts to develop common ground approaches reach those who are anxious about community relations in Britain today; and
- to identify future funding sources which will enable it to further diversify its current funding base during 2020/21.

Risk management

British Future has a formal risk management process through which the leadership team identifies the major risks to which the organisation may be exposed and has ranked these by likelihood and impact, culminating in a risk control document which is updated on a regular basis. All significant risks, together with current mitigation actions, are reviewed regularly throughout the year by the trustees. The trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The principal risks and uncertainties identified by the charity are as follows:

- That the charity cannot continue to raise sufficient funds for the long term.

To mitigate this, the charity seeks a mix of core funding to the medium term and project funding to fund specific projects. As the charity establishes itself as a thought leader, it will be seeking longer term funding to enable greater focus on its operations.

- There is a loss of perception of political impartiality, or public confidence to our political independence/impartiality.

In order to prevent this, the management regularly monitors its speakers, contributors, interlocutors to ensure that our work is both factual and balanced.

- Undertaking significant projects, such as the 'Decade of Reconnection', risk straining the capacity of the core staff team.

To manage this, additional staff would be recruited to cover the project duration and activities would be spaced to avoid over-commitment.

British Future

Report of the trustees

For the year ended 31 March 2020

- There is significant negative impact on the charity arising from the Covid-19 pandemic.

This is currently being mitigated by home working and through the support of existing funders. It will be further mitigated through the use of technology and adapting the charity's strategy to the changing circumstances.

Remuneration of staff

British Future has a policy of giving discretionary pay increases on an annual basis. These take into account annual inflation and individual team performance whilst ensuring that any increases are affordable in the prevailing circumstances.

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) 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).

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 charity and of the income and expenditure of the charity for that period. 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 UK 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 Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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.

British Future

Report of the trustees

For the year ended 31 March 2020

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 1 September 2020 and signed on their behalf by



Shirley Cramer - Chair

Independent auditors' report

To the members of

British Future

Opinion

We have audited the financial statements of British Future (the 'charity') for the year ended 31 March 2020 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 2020 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 Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 charity'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 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

British Future

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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the 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.

Independent auditors' report

To the members of

British Future

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.

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.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Date: 17 SEPTEMBER 2020

Alison Godfrey FCA

(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

British Future

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2020

| | Note | Restricted £ | Unrestricted £ | 2020 Total £ | 2019 Total £ |
|------------------------------------|------|-----------------|-------------------|--------------------|--------------------|
| Income from: | | | | | |
| Donations | 3 | 39,000 | 41,135 | 80,135 | 44,900 |
| Charitable activities | 4 | <u>265,566</u> | <u>235,750</u> | 501,316 | <u>476,093</u> |
| Total income | | <u>304,566</u> | <u>276,885</u> | 581,451 | <u>520,993</u> |
| Expenditure on: | | | | | |
| Raising funds | | - | 35,499 | 35,499 | 11,566 |
| Charitable activities | | <u>293,772</u> | <u>190,428</u> | 484,200 | <u>510,772</u> |
| Total expenditure | 5 | <u>293,772</u> | <u>225,927</u> | 519,699 | <u>522,338</u> |
| Net income / (expenditure) | | 10,794 | 50,958 | 61,752 | (1,345) |
| Transfers between funds | | <u>23,759</u> | <u>(23,759)</u> | - | - |
| Net movement in funds | 12 | 34,553 | 27,199 | 61,752 | (1,345) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | <u>(1,450)</u> | <u>66,919</u> | 65,469 | <u>66,814</u> |
| Total funds carried forward | | <u>33,103</u> | <u>94,118</u> | 127,221 | <u>65,469</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 12 to the accounts.

British Future

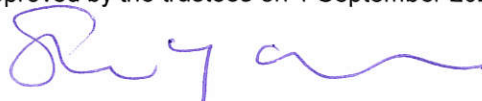
Balance sheet

As at 31 March 2020

| | Note | £ | 2020 £ | 2019 £ |
|--|------|-----------------|----------------|-----------------|
| Current assets | | | | |
| Debtors | 9 | 8,889 | | 49,910 |
| Cash at bank and in hand | | <u>156,479</u> | | <u>46,869</u> |
| | | 165,368 | | 96,779 |
| Liabilities | | | | |
| Creditors: amounts falling due within 1 year | 10 | <u>(38,147)</u> | | <u>(31,310)</u> |
| Net current assets | | | <u>127,221</u> | <u>65,469</u> |
| Net assets | 11 | | <u>127,221</u> | <u>65,469</u> |
| Funds | 12 | | | |
| Restricted funds | | | 33,103 | (1,450) |
| Unrestricted funds | | | | |
| General funds | | | <u>94,118</u> | <u>66,919</u> |
| Total charity funds | | | <u>127,221</u> | <u>65,469</u> |

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 1 September 2020 and signed on their behalf by



Shirley Cramer - Chair

British Future

Statement of cash flows

For the year ended 31 March 2020

| | 2020 | 2019 |
|---|-----------------------|----------------------|
| | £ | £ |
| Cash used in operating activities: | | |
| Net movement in funds | 61,752 | (1,345) |
| Decrease / (increase) in debtors | 41,021 | (16,440) |
| Increase / (decrease) in creditors | <u>6,837</u> | <u>10,179</u> |
| Net cash used in operating activities | <u>109,610</u> | <u>(7,606)</u> |
| Decrease / (increase) in cash and cash equivalents in the year | 109,610 | (7,606) |
| Cash and cash equivalents at the beginning of the year | <u>46,869</u> | <u>54,475</u> |
| Cash and cash equivalents at the end of the year | <u>156,479</u> | <u>46,869</u> |

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

British Future

Notes to the financial statements

For the year ended 31 March 2020

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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

British Future 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 notes.

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. However, the COVID-19 pandemic is likely to have a profound impact on the global economy, and may in turn affect the charity. The trustees have considered the impact of this issue on the charitable company's current and future financial position.

The charity holds unrestricted, general reserves of £94,118 and a cash balance of £156,479. As the charity has already secured substantial core funding in 20/21 and has relatively low support costs, the trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items 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.

Income received under contracts or service level agreements in advance is deferred until criteria for income recognition are met.

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.

British Future

Notes to the financial statements

For the year ended 31 March 2020

1. Accounting policies (continued)

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.

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) 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 fully allocated on the following basis, which is an estimate of staff time attributable to that activity:

| | 2020 | 2019 |
|-----------------------|------|------|
| Raising funds | 8% | 2% |
| Charitable activities | 92% | 98% |

i) 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.

j) 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.

k) 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.

British Future

Notes to the financial statements

For the year ended 31 March 2020

1. Accounting policies (continued)

l) Financial instruments

The charitable company 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.

m) Pension costs

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

n) 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 year end.

o) 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.

There are no key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

British Future

Notes to the financial statements

For the year ended 31 March 2020

2. Prior period comparatives: statement of financial activities

| | Restricted £ | Unrestricted £ | 2019 Total £ |
|-----------------------------------|-----------------|-------------------|--------------------|
| Income from: | | | |
| Donations and legacies | - | 44,900 | 44,900 |
| Charitable activities | <u>229,274</u> | <u>246,819</u> | 476,093 |
| Total income | <u>229,274</u> | <u>291,719</u> | 520,993 |
| Expenditure on: | | | |
| Raising funds | - | 11,566 | 11,566 |
| Charitable activities | <u>277,894</u> | <u>232,878</u> | 510,772 |
| Total expenditure | <u>277,894</u> | <u>244,444</u> | 522,338 |
| Net income / (expenditure) | (48,620) | 47,275 | (1,345) |
| Transfers between funds | <u>16,015</u> | <u>(16,015)</u> | - |
| Net movement in funds | <u>(32,605)</u> | <u>31,260</u> | (1,345) |

3. Income from donations

| | Restricted £ | Unrestricted £ | 2020 Total £ | 2019 Total £ |
|--|-----------------|-------------------|--------------------|--------------------|
| Donated professional services and facilities | - | 40,085 | 40,085 | 44,340 |
| Other donations | <u>39,000</u> | <u>1,050</u> | 40,050 | 560 |
| Total income from donations | <u>39,000</u> | <u>41,135</u> | 80,135 | <u>44,900</u> |

During the current and prior year, the charity benefitted from the use of office space provided by the Barrow Cadbury Trust without charge.

All income from donations in the prior period was fully unrestricted.

British Future

Notes to the financial statements

For the year ended 31 March 2020

4. Income from charitable activities

| | Restricted £ | Unrestricted £ | 2020 Total £ |
|--|-----------------|-------------------|--------------------|
| Grants: | | | |
| Unbound Philanthropy | 120,000 | - | 120,000 |
| Sigrid Rausing Trust | - | 75,000 | 75,000 |
| Paul Hamlyn Foundation | 43,000 | 40,000 | 83,000 |
| The Barrow Cadbury Trust | 66,800 | - | 66,800 |
| Trust for London | - | 50,000 | 50,000 |
| The John Ellerman Foundation | - | 40,000 | 40,000 |
| British Red Cross | 14,316 | - | 14,316 |
| Global Dialogue | 13,150 | - | 13,150 |
| MoneyGram | 8,300 | - | 8,300 |
| Contracts: | | | |
| Unbound Philanthropy | - | 15,000 | 15,000 |
| Imperial War Museum (IWM) - 14:18 Now | - | 9,000 | 9,000 |
| European Council on Foreign Relations | - | 3,000 | 3,000 |
| Crest Advisory | - | 2,250 | 2,250 |
| Federation of Small Businesses | - | 1,500 | 1,500 |
| Total income from charitable activities | 265,566 | 235,750 | 501,316 |

British Future

Notes to the financial statements

For the year ended 31 March 2020

4. Income from charitable activities (continued)

Prior period comparative:

| | Restricted £ | Unrestricted £ | 2019 Total £ |
|--|-----------------|-------------------|--------------------|
| Grants: | | | |
| Unbound Philanthropy | 80,000 | - | 80,000 |
| Sigrid Rausing Trust | - | 75,000 | 75,000 |
| The Barrow Cadbury Trust | 66,800 | - | 66,800 |
| Paul Hamlyn Foundation | - | 40,000 | 40,000 |
| The John Ellerman Foundation | - | 40,000 | 40,000 |
| Trust for London | 25,000 | - | 25,000 |
| British Red Cross | 21,474 | - | 21,474 |
| Institute of Strategic Dialogue | 18,500 | - | 18,500 |
| J Leon Trust | - | 15,000 | 15,000 |
| New Philanthropy | 10,000 | - | 10,000 |
| Department for Digital, Culture, Media & Sport | 2,500 | - | 2,500 |
| BBC | 2,500 | - | 2,500 |
| Commonwealth War Graves Commission | 2,500 | - | 2,500 |
| Contracts: | | | |
| Imperial War Museum (IWM) - 14:18 Now | - | 40,000 | 40,000 |
| Unbound Philanthropy | - | 11,000 | 11,000 |
| PWC Services | - | 10,000 | 10,000 |
| Migration Museum | - | 8,000 | 8,000 |
| International Centre for Policy Advocacy | - | 2,769 | 2,769 |
| Crest Advisory | - | 2,250 | 2,250 |
| City Of Bradford Council | - | 1,800 | 1,800 |
| Growth From Knowledge (GFK) | - | 1,000 | 1,000 |
| Total income from charitable activities | 229,274 | 246,819 | 476,093 |

British Future

Notes to the financial statements

For the year ended 31 March 2020

5. Total expenditure

| | Raising funds £ | Charitable activities £ | Support costs £ | Governance costs £ | 2020 Total £ |
|---|--------------------------------|--|--------------------------------|-----------------------------------|-------------------------|
| Project costs | - | 74,395 | - | - | 74,395 |
| Staff costs (note 7) | 24,516 | 283,014 | 43,989 | - | 351,519 |
| Support costs | - | - | 82,061 | - | 82,061 |
| Trustee indemnity insurance | - | - | - | 3,052 | 3,052 |
| Trustee travel and meetings | - | - | - | 71 | 71 |
| Audit and legal costs | - | - | - | 8,601 | 8,601 |
| Sub-total | 24,516 | 357,409 | 126,050 | 11,724 | 519,699 |
| Allocation of support and governance costs | 10,983 | 126,791 | (126,050) | (11,724) | - |
| Total expenditure | 35,499 | 484,200 | - | - | 519,699 |
| Prior period comparative | Raising funds £ | Charitable activities £ | Support costs £ | Governance costs £ | 2019 Total £ |
| Project costs | - | 124,765 | - | - | 124,765 |
| Staff costs (note 7) | 6,571 | 265,145 | 40,315 | - | 312,031 |
| Fundraising costs | 2,000 | - | - | - | 2,000 |
| Support costs | - | - | 73,773 | - | 73,773 |
| Trustee indemnity insurance | - | - | - | 2,566 | 2,566 |
| Trustee travel and meetings | - | - | - | 851 | 851 |
| Audit and legal costs | - | - | - | 6,352 | 6,352 |
| Sub-total | 8,571 | 389,910 | 114,088 | 9,769 | 522,338 |
| Allocation of support and governance costs | 2,995 | 120,862 | (114,088) | (9,769) | - |
| Total expenditure | 11,566 | 510,772 | - | - | 522,338 |

British Future

Notes to the financial statements

For the year ended 31 March 2020

6. Net movement in funds

This is stated after charging:

| | 2020 | 2019 |
|-----------------------------------|---------------------|---------------------|
| | £ | £ |
| Trustees' remuneration | Nil | Nil |
| Trustees' reimbursed expenses | Nil | 110 |
| Auditors' remuneration: | | |
| ▪ Statutory audit (including VAT) | <u>5,760</u> | <u>5,580</u> |

One trustee in the prior year was reimbursed £110 for travel and subsistence expenses.

7. Staff costs and numbers

Staff costs were as follows:

| | 2020 | 2019 |
|-----------------------|-----------------------|-----------------------|
| | £ | £ |
| Salaries and wages | 294,406 | 261,542 |
| Social security costs | 30,400 | 26,642 |
| Pension costs | <u>26,713</u> | <u>23,847</u> |
| | <u>351,519</u> | <u>312,031</u> |

One employee received remuneration between £100,000 and £110,000 during the year (2019: one). Employer pension costs for this employee totalled £10,489 for the year (2019: £10,303).

The key management personnel of the charitable company comprise the trustees and the Director. The total employee benefits of the key management personnel were £129,231 (2019: £126,393).

| | 2020 | 2019 |
|--------------------|-----------------|-----------------|
| | No. | No. |
| Average head count | <u>6</u> | <u>5</u> |

8. Taxation

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

British Future

Notes to the financial statements

For the year ended 31 March 2020

9. Debtors

| | 2020 £ | 2019 £ |
|----------------|--------------|---------------|
| Trade debtors | - | 9,750 |
| Prepayments | 8,889 | 7,960 |
| Accrued income | - | 32,200 |
| | <u>8,889</u> | <u>49,910</u> |

10. Creditors : amounts due within 1 year

| | 2020 £ | 2019 £ |
|------------------------------------|---------------|---------------|
| Trade creditors | 4,023 | 5,302 |
| Accruals | 24,352 | 16,393 |
| Other taxation and social security | 9,772 | 9,615 |
| | <u>38,147</u> | <u>31,310</u> |

11. Analysis of net assets between funds

| | Restricted funds £ | Unrestricted funds £ | Total funds £ |
|------------------------------------|--------------------------|----------------------------|---------------------|
| Current assets | 33,103 | 132,265 | 165,368 |
| Current liabilities | - | (38,147) | (38,147) |
| Net assets at 31 March 2020 | <u>33,103</u> | <u>94,118</u> | <u>127,221</u> |

| | Restricted funds £ | Unrestricted funds £ | Total funds £ |
|------------------------------------|--------------------------|----------------------------|---------------------|
| Prior period comparative | | | |
| Current assets | (1,450) | 98,229 | 96,779 |
| Current liabilities | - | (31,310) | (31,310) |
| Net assets at 31 March 2019 | <u>(1,450)</u> | <u>66,919</u> | <u>65,469</u> |

British Future

Notes to the financial statements

For the year ended 31 March 2020

12. Movements in funds

| | At 1 April 2019 £ | Income £ | Expenditure £ | Transfers between funds £ | At 31 March 2020 £ |
|---------------------------------|-------------------------|----------------|------------------|------------------------------------|--------------------------|
| Restricted funds | | | | | |
| After May report | - | 5,000 | (12,635) | 7,635 | - |
| Citizenship project | - | 51,300 | (28,420) | - | 22,880 |
| Core restricted | - | 186,800 | (186,800) | - | - |
| Families Together project | (1,450) | 14,316 | (12,866) | - | - |
| Other project income | - | 4,000 | (4,000) | - | - |
| Post General Election polling | - | 8,150 | (24,274) | 16,124 | - |
| Together campaign | - | 35,000 | (24,777) | - | 10,223 |
| Total restricted funds | (1,450) | 304,566 | (293,772) | 23,759 | 33,103 |
| Unrestricted funds | | | | | |
| General funds | 66,919 | 276,885 | (225,927) | (23,759) | 94,118 |
| Total unrestricted funds | 66,919 | 276,885 | (225,927) | (23,759) | 94,118 |
| Total funds | 65,469 | 581,451 | (519,699) | - | 127,221 |

Purposes of restricted funds

After May report

The report 'Immigration after May: What should the new Prime Minister change?' featured ICM opinion polling together with voices from politics, civil society and business offering their take on May's legacy and the opportunities for a fresh approach under a new Prime Minister. The report included recommendations for the new Prime Minister and Home Secretary, as well as advice for opposition parties and civic voices on their role in rebuilding trust.

Citizenship project

The Citizenship project comprises an independent inquiry into citizenship reforms together with events in Southampton and Edinburgh which brought together 'new' and 'old' citizens to discuss citizenship and what should change.

Core restricted

Grants restricted to core funding.

Families Together project

Families Together was a project that evaluated previous civil society campaigns on family migration, refugee family reunion and integration and then developed campaign messages and strategies that could be used to advocate these themes.

British Future

Notes to the financial statements

For the year ended 31 March 2020

12. Movements in funds (continued)

| | |
|-------------------------------|--|
| Other project income | Income to be spent on specific project costs. |
| Post General Election polling | New attitudinal research by ICM on a range of policies and issues related to immigration and integration, conducted shortly after the recent General Election, formed the basis of a report and event 'The reset moment: immigration in the new parliament' from British Future and The Policy Institute, King's College London. |
| Together campaign | British Future's work on the Decade of Reconnection led to funds being received to support the initiative, and to assist with the creation of a coalition resulting in the Together campaign. |

Transfers between funds

Transfers into restricted funds represent overspends on projects contributed from general funds.

| Prior period comparative | At 1 April 2018 £ | Income £ | Expenditure £ | Transfers between funds £ | At 31 March 2019 £ |
|---------------------------------|-------------------------|----------------|------------------|------------------------------------|--------------------------|
| Restricted funds | | | | | |
| Anti-Prejudice project | 3,655 | - | (3,655) | - | - |
| Core restricted | - | 171,800 | (171,800) | - | - |
| EU Nationals project | - | 10,000 | (10,000) | - | - |
| Families Together project | - | 21,474 | (26,388) | 3,464 | (1,450) |
| Integration Network project | 5,000 | - | (5,000) | - | - |
| National Conversation project | 20,000 | - | (27,853) | 7,853 | - |
| Remember Together project | - | 18,500 | (23,198) | 4,698 | - |
| WW1 Tracker project | 2,500 | 7,500 | (10,000) | - | - |
| Total restricted funds | 31,155 | 229,274 | (277,894) | 16,015 | (1,450) |
| Unrestricted funds | | | | | |
| General funds | 35,659 | 291,719 | (244,444) | (16,015) | 66,919 |
| Total unrestricted funds | 35,659 | 291,719 | (244,444) | (16,015) | 66,919 |
| Total funds | 66,814 | 520,993 | (522,338) | - | 65,469 |

13. Related party transactions

There were no related party transactions during the current or previous year.