

Company number: 08364475

Charity number: 1155570

Social Innovation Exchange

Report and financial statements

For the year ended 31 December 2021



Social Innovation Exchange

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For the year ended 31 December 2021

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Social Innovation Exchange

Reference and administrative information

For the year ended 31 December 2021

Company number	08364475
Charity number	1155570
Registered office and operational address	12a Peacock Yard Iliffe Street London SE17 3LH UK
Executive Board members	<p>Executive Board members, who are also directors under company law, who served during the year and up to the date of this report were as follows:</p> <div><div>Harvey Koh</div><div>Chair</div><div>Marcello Palazzi</div><div>Ada Wong</div><div>Carolyn Curtis</div><div>Tim Draimin</div><div>Martin Cosarinsky</div><div>Kriss Deiglmeier</div><div>Markus Lux</div><div>Francois Bonnici</div><div>Kiri Bird</div></div>
Principal staff	Louise Pulford So Jung Rim
Bankers	Cooperative Bank 80 Cornhill LONDON EC3V 3NJ
Solicitors	Bates Wells and Braithwaite Scandinavian House 2-6 Cannon St LONDON EC4M 6YH
Independent examiners	Sayer Vincent LLP Chartered Accountants Invicta House 108-114 Golden Lane LONDON EC1Y 0TL

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

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

Part 1: Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 17 January 2013 and registered as a charity on 30 January 2014.

The company was established under a memorandum of association, which established the objects and powers of the charitable company and is governed under its articles of association.

All Executive Board members give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

Executive Board

The Executive Board has the power to make decisions that will govern SIX. The responsibilities of the Executive Board are as follows:

- Approve strategy, operating plans, budgets and have overall responsibility of executive functions as the Board of Directors of the company.
- Appoint the Director of SIX.
- Determine day-to-day governance, particularly financial management;
- Support fundraising for core costs and programs.
- Set norms and rules for SIX, e.g. around the use of the brand.
- Meet 3 -4 times a year (1 of these times will be held during the annual SIX event). Some meetings can be held via Skype (or equivalent), but at least two meetings need to be in person.
- All Executive Board members give their time voluntarily and receive no benefits from the charity.

Appointment of Executive Board members

Between four and eight Trustees can be appointed by the Trustees. If a new member is required they will be recruited following a Board review and skills audit of the existing Board.

Trustee induction and training

When a new member is appointed they are given an induction pack consisting of the memorandum and articles of association, the latest accounts, the business plan and the risk register. An induction programme is tailored to the skills and experience of the new member. Most new members are already familiar with the work of SIX.

Remuneration policy for key management personnel

The Director's salary is reviewed and set by the Board.

Global Council and Advisors

SIX takes a networked approach to all of its work, and we work with a large network of partners and advisors. When SIX was established, we established a global council who acted as an advisory group for SIX and contributed financially. At the end of 2020, the Global Council had 15 global partner organisations.

We also have a network of close partners and friends who support SIX in a non-financial way: 1) the SIX100, which is a tool to widen input and strategic direction to the work of SIX and 2) a group of informal Advisors, made up of retired Board members and other senior experts. They all act as representatives and a hub for SIX around the world.

Part 2: Objectives and activities

SIX Vision and Mission

SIX is a social innovation exchange built on mutual value, relationships and knowledge. SIX was founded to help identify and connect isolated people and organisations within social innovation, in order to build the emerging field and share ideas within it. This was fuelled by our belief that change is more effective when people work collectively. Ten years later, we have helped to establish a flourishing global social innovation movement, and to connect those working within it. In order for SIX to remain the leading organisation who sets the direction for social innovation globally, we needed to update our vision and mission.

We believe that the exchange of experiences and knowledge drives positive social change, and that everyone has something to contribute and gain from the exchange. We curate connections between thinkers and doers who share a common goal of wanting to improve society. We invite new people into these conversations in order to create a buzzing marketplace of ideas and experiences. As an exchange, we facilitate purposeful conversations that challenge and inspire people to advance the field of social innovation.

SIX exists to challenge and inspire people to use innovation to increase social impact.

SIX in 2021

An uncertain global situation

As we begun 2021, the world was still full of uncertainty - just when things seem more stable and opportunities to cross borders begin, a new variant emerges and everything is at risk once again. Many of the funders and partners we work with still in precarious positions and different parts of the world were coping in different ways. Despite this, the team are energised, full of creativity and ready for the new challenges ahead. We started to work on how we can position ourselves as an organisation with expertise in delivering hybrid programmes, documenting all the convening experimentation tools and practices that we prototyped through our programmes in 2020

2021 was a year with three different phases

- The half of the year was busy programmatically. We focussed on finishing ongoing activities and capacity building programmes, and finishing the SIX Wayfinder project, presenting our final symphony to the global community. We also started the new European Commission programme. The activities are detailed below
- In the second half of the year, we began to pivot and invest internally - reviewing and redesigning our brand and website, the language we use to describe our work, and how we position ourself. We were in a strong position to do this internal business development work and decided to take advantage of not having any major global events and programmes and use our time on this. This work involved:
 - Reframed how we present our work - moving from working across 6 strategic areas to action as a 1) field builder and 2) global innovation partner. Further detail and explanation in Section 3 of the meeting.
 - Developed a new/more modern brand/look
 - Begun the process to redesign and develop a new more simple website
- Towards the end of the year, we won some new contracts to work with individual organisations on small short term assignments. This is a new kind of capacity building work for SIX and may be a reflection of the fact many organisations were struggling and looking for further support.

Emerging themes: Whilst social innovation is still at the core of our work, there are several new emerging themes where we can add value and provide expertise/a different angle - Business for good, climate and the opportunity for philanthropy and regional social innovation (eg social labs/Asia etc)

Key activities in 2021

Type of activities - We continue to deliver three types of activities. These are becoming increasingly interconnected, for example one project may use each of these different approaches.

1. Events and convening - These have continued online.
2. Capacity building programmes - These are also delivered online. This work has developed beyond designing and delivering training programmes and study visits online and now includes working with organisations on more holistic organisational capacity building.
3. Developing and sharing insights and knowledge - Whilst we continue to document our learning and share it widely with our network, we have begun to be commissioned to do more thematic or geographical horizon scanning work for organisations with specific interests.

Working across six strategic areas - We continue to use 6 strategic areas as a guide. The strategic areas are:

1. Funders/foundations - philanthropy becomes more effective and authentic
2. Universities - universities rethink their purpose/innovate their models
3. Business - explore and share what motivates businesses to do good
4. Policy - social innovation is supported policy (focus on lobbying/influencing and working with cities/Mayors in Europe and Asia)
5. Future SI leaders - grow the next generation of social innovation leaders
6. Specialist SI institutions - grow the social innovation movement/mainstream social innovation

Geography/Global reach - Each year, we aim to expand our global reach but we are always limited by the number of events we can hold, and the high participation costs of flying around the world.

Since travel was still restricted in 2021, we continued reaching out to include people and organisations from the global south who we don't usually connect with. the work with Aga Khan, who are based in and focussed on, is a good example of this. Another example is the work we won for Porticus, which focussed on South East Asia.

2021 Goals and priorities

The Covid-19 situation continued to be challenging over 2021. As the year started, the team were all still working at home. It was also an uncertain time for many of the funders and partners we work with still in precarious positions. Because of this uncertain situation, it was not appropriate to start the year with a strict strategy and goals. Rather, we set three broad areas to focus on:

1. Reviewing our value proposition in order to run activities of the highest value in the post pandemic world

We should use the opportunity of a relatively quiet year (where the team are unlikely to be travelling and running big events) to reflect, take stock, and to test some assumptions about our positioning and value proposition.

The executive Board agreed we should work through the following questions in:

- What we are good at/working well (and more people need to know about!)
- Newer things we've tried and worked/but timing wasn't good
- Newer things we've tried - but didn't go so well
- Other opportunities/Signals we think could be useful

2. Work on updating our brand, design and a new website

Following the work on our value proposition, the Board agreed 2021 was the right time to review our brand, how we talk about our work, and to develop a new website to reflect our current work better.

3. Continue activities we started and continue to find new opportunities for bigger programmes of work

We should also use 2021 as an opportunity to bring in new types of work, from new partners. The focus remains finding bigger and longer term projects, rather than lots of small short term pieces of work. We should also continue to deliver the ongoing activities to the highest value.

Specific activities

1. Events and convening - Our events and convening activities continued to be online. Throughout 2021, we continued to experiment with new approaches for online and hybrid events.

- **Funders node - We have 3 current programmes with foundations which ran through 2021:**
 - **Virtual retreat with global foundations 'Shifting culture and power'** - in replacement of the retreat in Australia that we were not able to host last year, we have developed a virtual model for a group of 16 global, pioneering foundation leaders who we think will benefit from the experience, and from each other once a week over 8 weeks. In October and November, we brought together 16 foundations from Australia, New Zealand, Europe and Africa for our first 'virtual retreat'. There are two opportunities that we will follow up from this next year: 1) how to continue to work with Australian funders/ a potential in-person retreat and 2) repeating virtual executive cohort model since the feedback was so positive
 - **OSF Learning exchanges** We continue our learning partnership with OSF, where our quarterly learning exchange calls focus on the challenges of working and learning in an uncertain environment.
 - **Planning a retreat** - working with Headwaters Foundation and other funders in Montana, US to develop a semi virtual/in person retreat in Montana when travel is permitted again.
- **SIX Wayfinder 2020 final symphony** - Over 2020, we transformed the Wayfinder into a 9 months programme of different styles activities, reaching new people. In response to the general sense of anxiety, zoom fatigue, and anger around the world as death rates increased and economies crashed, we used the Wayfinder to connect with people in different ways. In total we hosted more than 70 events for 400+ people participating from 70 organisations in 10 languages. We concluded this event In February 2021 when, over 100 people joined us to

listen to the final Wayfinder symphony. Entitled '*Sounding together - A soundtrack to a new social contract*', this 25 minute piece of music was created by the Wayfinder Artist-Composers, and reflected the insights we drew out from the activities across the four movements of the project. We also produced insights report

- **Partnering with Imece summit, Turkey** - SIX was a partner in the [imece summit](#), (March), building directly on from the Istanbul Wayfinder in 2018 which accelerated the development of the social innovation ecosystem in Turkey. In the 2021 imece summit, SIX was responsible for the Organisations for Impact track, and we hosted 3 panel conversations, each directly building on sessions at the 2020 Wayfinder, reconnecting the participants and the topics.
- **Hosted the final workshop of Vision project (Erasmus+)** - This project explored the future of education and learning, specifically in relation to Creativity, Innovation and Entrepreneurship. The project closes in December. A book with tools and case studies will be published next year and SIX will be part of future project applications with this group (we can continue to receive Erasmus+ funding).
- **Webinars** - We hosted several webinars for larger audiences:
 - **Biz4Good global dialogue** - Louise Pulford facilitated a discussion Marcello Palazzi, Ada Wong and David Yeung, Green Monday - [Video recording of session available](#) on the website.
 - **East meets West dialogue series with Leping, China** - We've developed a 4 part webinar series with Leping Social Entrepreneur Foundation to encourage more global exchange on key topics.
 - **Re:Think webinar series sharing learning between East and West** - co-curated by SIX and [Leping Social Entrepreneur Foundation](#). This is part of their Global Council partnership. The 4 part series will bring together leading social innovation actors from business, cities, technology sectors in Asia and Europe to rethink what different sectors can learn from each other to address the world's pressing social challenges.

2. Capacity building programmes - Over 2021, we developed our capacity building offer to go beyond just skills and training. We started working to support organisations with their own internal challenges, and by introducing them to the organisations that can expand their thinking. These activities included:

- **Capacity building** - Designed and started delivering training for Comic Relief on innovation mindsets, design thinking and strategic planning.
- **Virtual study tour with a social services NGO in Hong Kong** - We redesigned the in person study tour and developed a virtual version which we ran over 8 weeks. We organised 8 learning sessions for 20 social workers with organisations around the world, bookended by SI 101 and reflection sessions.

- **Aga Khan Foundation Education Improvement Programme in East Africa**- we worked with teams across Kenya, Uganda and Tanzania to help them better understand and use their ToC and to update the M&E processes and frameworks. This was a 12 week assignment and the Work included:
 - Kick off workshops and 24+ interviews with teams
 - Redesigning/iterating their Theory of Change and engagement tools
 - Further workshops with Education stakeholders
 - Iteration, redesign of final projects and reports
 - 'Week notes' for transparency of process/to keep organisations engaged
 - We also developed a new learning framework for them, helping them to develop a new culture around Monitoring Evaluation and Learning (MEL).
- **European Social Innovation Alliance (ESIA)** - This is our ESF funded programme to support and connect a series of competence centres across Europe. The project aims to connect the UK social innovation ecosystem with strong transnational ties with Europe. We are part of a consortium with partners in Germany, Estonia, Poland, Denmark and the UK/Scotland). We have two roles in the project
 - We will work closely with Glasgow Caledonian University in Scotland in establishing a centre in the UK (named SI Connect) with Glasgow Caledonian University.
 - We also have a role in connecting with all European competence centres for social innovation across the member states involved and supporting transnational learning within our own consortium. We interviewed all the 26 member states involved, and hosted bi-weekly informal coffee meetings, transnational learning events.

3. Develop and share knowledge and insights

In 2021, we continued our commitment to producing products to increase accessibility for different audiences, designed specifically for different kinds of global audiences. Throughout the year, the team contributed articles, blogs and interviews related to the projects they work on as a way of spreading social innovation knowledge. We also produced an insights report, documenting the 2022 Wayfinder process and learning.

4. Building SIX organisation

- a) New Board members** - following the Governance review in 2020, three new Board members joined the Board in the first quarter. A careful onboarding process was conducted.
- b) The team changes** - We continued with our approach of keeping the core team small and bringing in expertise as and when it was needed. This included working with a copy editor on our new narrative and website copy. The team continues to work remotely. We also hired someone to work on the coordination and delivery of the new European project who was based in Singapore.

Beneficiaries of our services

Because SIX is a network focussed on exchange, its participants determine its impact. SIX participants are, in principle, co-creators of SIX. The main function of SIX is, therefore, to facilitate connections and curate learning between them.

The participants of SIX are leaders or emerging leaders in social innovation, and work in government, non-profits and charities, social enterprises, universities and private companies. Mixing different backgrounds contributes to our quality. Broadly speaking, SIX network is comprised of people who are already engaged in social innovation thinking and/or practice and lead in a specific sector, expertise or geography. They see the value of social innovation and wish to share experiences with their peers and all those interested.

SIX also provides experiences for, and opportunities to engage those who are new to the concept of social innovation, but who are in practice already doing it in the sector, field or geography. This audience is a growing part of SIX's audience. SIX is also interested to learn from people in parallel fields with similar experiences.

For participants and people in our wider network, SIX provides access to other leading practitioners, thinkers as well as other networks of social innovators as well as dynamic experiences (SIX events series) where they can quickly access this. For governments and large regional and national institutions, SIX offers practical knowledge, skills, examples, and case studies of social innovations as well as open forums to discuss issues and practical problems. For foundations, SIX provides challenging forums for them to step out of their day to day work, and to reflect on and question their own practice.

Public benefit focus on ensuring that our activities achieve our charitable aims

The Executive Board 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 in the reporting period. The Executive Board reports 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 Executive Board ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Executive Board 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 Executive Board considers how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance in the delivery of public benefit

The charity's main activities and who it tries to help are described below. All its charitable activities focus on advancing the knowledge, practice and field of social innovation and are undertaken to further Social Innovation Exchange's charitable purposes for the public benefit.

All of the activities below develop and produce resources which are posted on SIX website and communicated with members in the UK, and around the world, via social media for the benefit of the general public.

Part 3: Financial review

The financial results are set out from page 15 onwards. SIX generated £330,778 of income and spent £294,121 on running projects, events and on support and governance costs.

SIX is grateful to its Global Council members for the financial support they have given in 2021 and their continued support for SIX's ongoing activities.

Principal risks and uncertainties

The Executive Board discusses risks and uncertainties in each Board meeting. The short and long term challenges which we set out in 2020 remain in 2021. These challenges are:

Short term:

- **The ongoing effects of COVID- 19 global pandemic on staff wellbeing:** Whilst the team are more adjusted to working at home, the ongoing effects of the pandemic on the wellbeing of the team members is something which needs to be monitored carefully. Where it is safe to do so, the team would meet and work together in person.
- **The ongoing effects of COVID- 19 global pandemic on funding -** Many organisations, including foundations, have been financially affected by the pandemic and are therefore more careful with how they give their funding. The economy will take some time to recover. SIX is adapting to these changes, diversifying our funding streams and positioning ourselves strategically as an organisation who can support other organisation in this difficult time.

Long term challenge:

- **EU/Brexit and future European projects -** Brexit makes it is unclear if we will be able to apply for some European funding in the future. Partners in other countries may be more wary about inviting the UK into projects, even if it is legally possible, for fear UK involvement will have a negative impact on their chances of success.
- **Balancing business/strategy development and with delivery -** We need to move to fewer bigger programmes providing multi-year funding so we can better plan for the future. However, as a small organisation, it is a challenge to do this when many of the income streams are short term. This means fundraising is constantly a high priority. How do we secure more multi-year funding streams to better plan for the future?

- **Funders interest in climate issues** - whilst climate change is an extremely important issue to work on, many funders and foundations who used to be more interested in social issues may begin to focus their funding in this area. SIX will need to keep an eye on this and adapt our programming in order to be able to respond to changes in focus amongst people we work with.

Reserves policy and going concern

The Trustees have decided that the charity should hold three months running costs in reserves so that it could continue its activities in the event of a drop in funding. The target amount is £75,000 (3 months operating costs). We currently have free reserves (excluding fixed assets) of £389,466.

Part 4: Plans for the future

Looking forward

As the new Covid variant has reminded us, it is unlikely we will be able to resume our core business of hosting global events in the same way anytime soon. This is why it was been important to spend the second half of the year on business development and redefining our mission and narratives. It opened up opportunities to win new kinds of business, working with individual organisations who are interested in social innovation, internal capacity building and global mapping. Whilst we will continue to design and facilitate global exchanges and do field building work where possible, the current team are also well suited to these new discreet consultancy type projects which have impact more quickly on the organisations we work with .

Growth and increasing our impact in 2022 - Time for SIX 2.0

The work of SIX is needed more than ever. All of the biggest societal challenges we face are global and need a globally connected response. All of them also require new approaches and ways to harness the power of citizens. But compared to the scale of the challenges we face, SIX's voice is small and has an impact on the small number of organisations we work with. If we want to change the narrative of focussing nationally rather than globally and promote a more connected world, we also need a bigger voice. We have several new projects in the pipeline already for 2022. So, in the first half of 2022 , we need to build on this, and focus significantly more energy to find new ways of developing new partnerships, and of finding more stable long term funding. The upcoming launch of the new website will help in this work. In time of change, all organisations need to innovate and reinvent themselves and this is something SIX is good at doing.

Part 5: Statement of responsibilities of the Executive Board members

The Executive Board members (who are also directors of Social Innovation Exchange for the purposes of company law) are responsible for preparing the report of the Executive Board and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Executive Board members 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Executive Board members 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 Executive Board members are responsible for keeping proper 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Executive Board members 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.

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 total number of such guarantees at 31 December 2016 was 10 (2015:8). The Executive Board members are members of the charity but this entitles them only to voting rights. The Executive Board members have no beneficial interest in the charity.

Independent Examiner

Jonathan Orchard of Sayer Vincent LLP was re-appointed as the charitable company's independent examiner during the year and has expressed his willingness to continue in that capacity.

The report of the Executive Board has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The report of the Executive Board has been approved by the Executive Board members on 26 July 2022 and signed on their behalf by

Harvey Koh
Chair

Independent Examiner's report

To the Executive Board of

Social Innovation Exchange

I report on the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accounts in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1** Accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2** The accounts do not accord with those records; or
- 3** The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- 4** The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities

Independent Examiner's report

To the Executive Board of

Social Innovation Exchange

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Name: Jonathan Orchard

The Institute of Chartered Accountants in England and Wales

Relevant professional qualification or membership of professional bodies (if any):

Address: Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Date: 18 August 2022

Social Innovation Exchange

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

For the year ended 31 December 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations and legacies	2	220,662	110,116	330,778	317,069	83,790	400,859
Total income		220,662	110,116	330,778	317,069	83,790	400,859
Expenditure on:							
Raising funds	3	27,336	–	27,336	24,883	–	24,883
Charitable activities	3	156,669	110,116	266,785	229,588	83,790	313,378
Total expenditure		184,005	110,116	294,121	254,471	83,790	338,261
Net income / (expenditure) for the year	4	36,657	–	36,657	62,598	–	62,598
Transfers between funds		–	–	–	–	–	–
Net movement in funds		36,657	–	36,657	62,598	–	62,598
Reconciliation of funds:							
Total funds brought forward		353,983	–	353,983	291,385	–	291,385
Total funds carried forward		390,640	–	390,640	353,983	–	353,983

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 15 to the financial statements.

Social Innovation Exchange

Balance sheet

Company no. 08364475

As at 31 December 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	9		<u>1,174</u>		<u>338</u>
			1,174		338
Current assets:					
Debtors	10	43,467		61,059	
Cash at bank and in hand		<u>365,125</u>		<u>376,532</u>	
		408,592		437,591	
Liabilities:					
Creditors: amounts falling due within one year	11	<u>(19,126)</u>		<u>(83,946)</u>	
Net current assets			<u>389,466</u>		<u>353,645</u>
Total net assets			<u><u>390,640</u></u>		<u><u>353,983</u></u>
The funds of the charity:	15				
Unrestricted income funds:					
General funds		<u>390,640</u>		<u>353,983</u>	
Total unrestricted funds			<u>390,640</u>		<u>353,983</u>
Total charity funds			<u><u>390,640</u></u>		<u><u>353,983</u></u>

The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge the following responsibilities:

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the trustees on 26 July 2022 and signed on their behalf by

Harvey Koh
Chair

Social Innovation Exchange

Statement of cash flows

For the year ended 31 December 2021

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

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	36,657	62,598
Depreciation charges	923	1,060
(Decrease) in debtors	17,592	188,918
(Decrease) in creditors	(64,820)	(5,854)
Net cash provided by / (used in) operating activities	(9,648)	246,722

	2021 £	2020 £
Cash flows from operating activities		
Net cash provided by / (used in) operating activities	(9,648)	246,722
Cash flows from investing activities:		
Purchase of fixed assets	(1,759)	–
Net cash provided by / (used in) investing activities	(1,759)	–
Change in cash and cash equivalents in the year	(11,407)	246,722
Cash and cash equivalents at the beginning of the year	376,532	129,810
Cash and cash equivalents at the end of the year	365,125	376,532

Analysis of cash and cash equivalents

	At January 1 2020 £	Cash flows £	Other changes £	At 31 December 2021 £
Cash at bank and in hand	376,532	(11,407)	–	–
Total cash and cash equivalents	376,532	(11,407)	–	365,125

1 Accounting policies

a) Statutory information

Social Innovation Exchange is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 3-5 Hardwidge Street, Top Floor, London SE1 3SY.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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.

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.

1 Accounting policies (continued)

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 delivering services, and events undertaken 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) 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.

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.

• Cost of raising funds	5%
• Events and convening	40%
• Knowledge and insights	25%
• Capacity building	20%
• Support costs	7%
• Governance costs	3%

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

• Events and convening	50%
• Knowledge and insights	25%
• Capacity building	25%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

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

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000, or if it is an item of computer equipment. 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.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

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

• Computer equipment	3 years
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m) 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.

n) 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.

Notes to the financial statements

For the year ended 31 December 2021

1 Accounting policies (continued)**o) 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.

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.

p) Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Gifts and donations	148,162	110,116	258,278	300,367	83,790	384,157
Global Council	72,500	–	72,500	16,702	–	16,702
	<u>220,662</u>	<u>110,116</u>	<u>330,778</u>	<u>317,069</u>	<u>83,790</u>	<u>400,859</u>

3a Analysis of expenditure (current year)

	Charitable activities							
	Cost of raising funds £	Events and convening £	Knowledge and insights £	Capacity building £	Support costs £	Governance costs £	2021 Total £	2020 Total £
Staff costs (Note 5)	10,902	65,414	65,414	54,512	15,264	6,541	218,047	231,170
Other HR costs	–	–	–	–	–	33,007	33,007	51,342
Professional fees	–	–	–	–	885	–	885	1,284
Event costs	16,400	–	–	–	–	–	16,400	13,246
Travel and subsistence	34	207	207	172	48	21	689	1,583
Office costs	–	–	–	–	–	19,468	19,468	33,220
IT	–	–	–	–	–	1,162	1,162	1,996
Depreciation	–	–	–	–	–	923	923	1,060
Accountancy, grant audit and IE fees	–	–	–	–	3,540	–	3,540	3,360
	27,336	65,621	65,621	54,684	19,737	61,122	294,121	338,261
Support costs	–	9,869	4,934	4,934	(19,737)	–	–	–
Governance costs	–	30,561	15,281	15,281	–	(61,122)	–	–
Total expenditure 2021	27,336	106,051	85,836	74,899	–	–	294,121	–
Total expenditure 2020	24,883	150,870	87,073	75,435	–	–	–	338,261

Social Innovation Exchange

Notes to the financial statements

For the year ended 31 December 2021

3b Analysis of expenditure (current year)

	Charitable activities						
	Cost of raising funds £	Events and convening £	Knowledge and insights £	Capacity building £	Support costs £	Governance costs £	2020 Total £
Staff costs (Note 5)	11,558	92,468	57,793	46,234	16,182	6,935	231,170
Other HR costs	–	–	–	–	–	51,342	51,342
Professional fees	–	–	–	–	1,284	–	1,284
Event costs	13,246	–	–	–	–	–	13,246
Travel and subsistence	79	633	396	317	111	47	1,583
Office costs	–	–	–	–	–	33,220	33,220
IT	–	–	–	–	–	1,996	1,996
Depreciation	–	–	–	–	–	1,060	1,060
Accountancy, grant audit and IE fees	–	–	–	–	3,360	–	3,360
	24,883	93,101	58,189	46,551	20,937	94,600	338,261
Support costs	–	10,469	5,234	5,234	(20,937)	–	–
Governance costs	–	47,300	23,650	23,650	–	(94,600)	–
Total expenditure 2020	24,883	150,870	87,073	75,435	–	–	338,261

4 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Depreciation	923	1,060
Operating lease rentals:		
Property	9,721	28,800
Independent examiner's remuneration (excluding VAT):		
Independent examination	2,950	2,800
Other services	-	-
	<u> </u>	<u> </u>

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

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	189,244	202,280
Social security costs	16,110	16,843
Employer's contribution to defined contribution pension schemes	12,693	12,047
	<u>218,047</u>	<u>231,170</u>

One employee earned more than £60,000 during the year (2020: one).

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £133,007 (2020: £127,965).

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

The Executive Board's expenses represents the payment or reimbursement of travel and subsistence costs totalling £0 (2020: £nil) incurred by nil (2020: nil) member relating to attendance at meetings of the trustees.

6 Staff numbers

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

	2021 No.	2020 No.
Raising funds	0.5	0.5
Charitable activities	4.0	4.5
Support and governance	0.5	0.5
	<u>5.0</u>	<u>5.5</u>

7 Related party transactions

There were no related party transactions in 2021 (2020: £nil).

8 Taxation

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

9 Tangible fixed assets

	Computer equipment £	Total £
Cost or valuation		
At the start of the year	9,371	9,371
Additions in year	1,759	1,759
At the end of the year	11,130	11,130
Depreciation		
At the start of the year	9,033	9,033
Charge for the year	923	923
At the end of the year	9,956	9,956
Net book value		
At the end of the year	1,174	1,174
At the start of the year	338	338

All of the above assets are used for charitable purposes.

10 Debtors

	2021 £	2020 £
Trade debtors	38,030	41,425
Prepayments	–	–
Accrued income	5,437	19,634
	43,467	61,059

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	6,524	33,035
Taxation and social security	–	7,840
Accruals	12,602	3,360
Deferred income (note 12)	–	39,711
	19,126	83,946

12 Deferred income

Deferred income comprises of £39,711 received in 2020 for use towards SCALINGS, was spent 2021.

	2021 £	2020 £
Balance at the beginning of the year	39,711	59,008
Amount released to income in the year	(39,711)	(59,008)
Amount deferred in the year	–	39,711
	<hr/>	<hr/>
Balance at the end of the year	–	39,711
	<hr/> <hr/>	<hr/> <hr/>

13 Pension scheme

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £12,693 (2020: £12,047).

14a Analysis of net assets between funds (current year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	1,174	–	1,174
Net current assets	389,466	–	389,466
	<hr/>	<hr/>	<hr/>
Net assets at the end of the year	390,640	–	390,640
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

14b Analysis of net assets between funds (prior year)

	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	338	–	338
Net current assets	353,645	–	353,645
	<hr/>	<hr/>	<hr/>
Net assets at the end of the year	353,983	–	353,983
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

15a Movements in funds (current year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
European Commission					
SCALINGS	–	61,769	61,769	–	–
ESIA	–	41,101	41,101	–	–
VISION	–	7,246	7,246	–	–
Total restricted funds	–	110,116	110,116	–	–
Total unrestricted funds	353,983	220,662	184,005	–	390,640
Total funds	353,983	330,778	294,121	–	390,640

15b Movements in funds (prior year)

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
European Commission					
SCALINGS	–	35,047	35,047	–	–
SIKE (Social Innovation for Knowledge Exchange)	–	32,235	32,235	–	–
VISION	–	16,508	16,508	–	–
Total restricted funds	–	83,790	83,790	–	–
Total unrestricted funds	291,385	317,069	254,471	–	353,983
Total funds	291,385	400,859	338,261	–	353,983

Movement in funds

Purposes of restricted funds

European Commission

ESIA – is a transnational consortium project between Denmark, Estonia, Germany, Poland, funded under UK 2014–2020 European Social Fund and the EU programme for Employment and Social Innovation (EaSI), which aims to build Competence Centres for Social Innovation across Europe.

SCALINGS – an interdisciplinary European research project seeking to develop a systematic and in-depth understanding of the socio-cultural variation of co-creation across 10 European countries in 3 research areas.

VISION – is a project that aims to advance Europe's capacity and effectiveness in teaching and training for creativity, innovation and entrepreneurship (CIE).

16 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.