

Registered number: 05588883  
Charity number: 1114839

**THE RESOLUTION FOUNDATION**  
(A Company Limited by Guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**THE RESOLUTION FOUNDATION**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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<b>Trustees</b>	Clive Cowdery, Chair of Trustees Kate Josephs (appointed 18 September 2023) Danuta Gray (appointed 18 September 2023) Adair Turner Pat Butler Patrick Stevens, Treasurer Christina Alexandrou
<b>Company registered number</b>	05588883
<b>Charity registered number</b>	1114839
<b>Registered office</b>	2 Queen Anne's Gate London SW1H 9AA
<b>Company secretary</b>	Torsten Bell
<b>Independent auditors</b>	haysmacintyre 10 Queen Street Place London EC4R 1AG
<b>Bankers</b>	Natwest Bank plc St Paul's Branch Juxon House 98 St Paul's Churchyard London EC4M 8BU  United Trust Bank Ltd 80 Haymarket London EC4M 6YH  HSBC UK 60 Albert Road Middlesbrough TS1 1RS

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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The Trustees present their annual report together with the audited financial statements of The Resolution Foundation for the year 1 October 2022 to 30 September 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

## **Objectives and activities**

### **a. Objectives and aims**

The Resolution Foundation is an independent think-tank focused on improving living standards for those on low-to-middle incomes. Our reputation for rigorous analytical work that results in effective policy solutions places us at the forefront of the UK debate on economic and social policy. We work across a wide range of economic policy making and are a leading UK authority on securing widely-shared economic growth.

Recognised as a home of real expertise on a range of policy issues, we draw on a core team of researchers as well as established external relationships with top national and international economists, academics and policy experts as we continue to inform public debate and engage with key decision makers in government, the private sector, and civil society. We hold a regular programme of events, hosting diverse speakers including politicians from across the political spectrum.

The objects of the charity (as set out in the Memorandum and Articles of Association and amended by resolution on 26 May 2006 and 28 November 2019 in accordance with Article 36 of the Company's Articles of Association) are 1) to promote research and the education of the public into the economic and social sciences including, but without prejudice to the generality, the effect of economic, social and financial factors on the living standards at all stages of life of people benefiting from an income at or below the national average; and 2) to the extent resources of the charity are not required for object 1, to prevent and relieve poverty and to advance such other exclusively charitable purposes as the trustees see fit, including, but without prejudice to the generality, through social investment projects.

Our public benefit goal is to improve outcomes for people on low-to-middle incomes. We do this by undertaking original research and economic analysis to understand the challenges facing low-to-middle income households today. Engaging with policy makers and other key stakeholders, we develop practical and effective policy proposals to tackle the issues we identify and bring about change.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Objectives and activities (continued)**

**b. Our Focus**

We define the low-to-middle income group as the poorer half of the non-pensioner population but excluding families in which no-one is in work (who often face specific challenges). We 'equalise' household income prior to establishing 'low-to-middle income' and 'higher income' groups, in order to account for the different living standards associated with various household compositions. As such, couples with no children are classed as low-to-middle income if their combined disposable income (before housing costs) is below £30,100 a year and at least one partner is in work: while a single adult would need an income below £20,100 to qualify and a couple with two young children would need an income below £42,100.

By these definitions, there were eight million low-to-middle income families in the UK in 2021-22 including around 13 million adults and over seven million children. As each includes at least one working adult, they are not the poorest in society, but can struggle to get by and have felt the full impact of the UK's wage stagnation, housing market challenges, insecure work and reductions in social security, as well as Covid-19 and the cost of living crisis. Despite these needs low-to-middle income households have been overlooked in policy debates.

**c. Our Approach**

The Foundation prides itself on analytical rigour, and we strive to achieve standards of excellence in all our work. This commitment is matched by dedication to our core purpose, working to improve the living standards of those on low to middle incomes. These twin pillars of rigour and purpose underpin everything we do. We also aim to ensure our approach is:

- Focused - we concentrate our attention and resources on a cohesive range of projects to achieve the greatest impact.
- Practical - our policy solutions are derived from robust research and analysis and are practical and achievable.
- Influential - we engage with key stakeholders and policy.
- Independent - we are independent and non-partisan in our approach; we pursue policy issues on their merit and ability to improve outcomes for low to middle income households.
- Flexible - we adapt our working style to suit the particular needs of each project and are outcome oriented not process driven.
- Clear - we use a range of methods to convey our ideas and our communication style is clear, concise and direct.

**d. Our Funding**

The Resolution Foundation is primarily funded by the Resolution Trust. We are also grateful for support from additional organisations including Accenture (UK) Ltd, Citizens UK, Economic and Social Research Council (ESRC), Ernst and Young, Friends Provident Foundation, the Health Foundation, Intergenerational Futures Forum, Joseph Rowntree Foundation, the Nuffield Foundation, abrdn Financial Fairness Trust (formerly Standard Life Foundation), Trust for London, and Ufi VocTech Trust, which have enabled us to pursue project specific work during the year. We are committed to transparency and list all organisations from whom we receive a contribution of £3,000 and over in the notes of this report. Small additional sums are also received as donations or payment for ad hoc activity like speaking engagements.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Objectives and activities (continued)**

**e. Public benefit**

The Trustees confirm they have complied with the duty in section 17 (5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and guidance relating to public benefit and the advancement of education specifically. The Trustees ensure that all work undertaken is in line with the Foundation's charitable objects and aims.

**Achievements and performance**

**a. Charitable activities**

The charity's key objectives for 2022/2023 were:

- To retain a clear focus on living standards via robust analysis, all with a clear purpose of improving outcomes for low-to-middle income households;
- To consider what changes are needed to policies, structures and institutions so that the UK can navigate better the changes required to react to Brexit, Covid-19 and the move to net zero, and ensure robust economic growth that benefits all sections of society;
- To inform public and policy debate on the country's response to the cost of living crisis by documenting its impacts on living standards, and prescribing policy solutions to support low-to-middle income households and the underlying health of the UK economy;
- To consolidate our move into new research areas of net zero, trade, firms and places.

Our key achievements included:

**Cost of living (and energy prices)**

We contributed to public debate by providing frequent commentary and analysis, including focusing on the key decision on uprating benefits in April 2023. Energy prices and policy have continued to be a major theme and we have assessed the impact on families, including how falls in wholesale energy prices from 2023 have provided welcome relief to households. A partnership with The Health Foundation allowed us to field two large-scale surveys, with a third to follow in late 2023, to learn about how families are coping with rising costs and the impact on their health and financial resilience.

**Incomes and inequality**

We published a Living Standards Audit in early 2023, with a key focus on how the rising prices in late 2022 had affected families' financial security and wellbeing. Our flagship Living Standards Outlook set out what current economic forecasts and existing policies imply for families across the income distribution. We also did a deep dive into measures of living standards for working-age people with disabilities.

**Job, skills and pay**

April 2023 saw us bring our labour market enforcement programme to a close, drawing together updated UK analysis and contributions from five international partners into a final report entitled 'Enforce for Good'. We continued our work on the Health Foundation-funded Young People's Future Health Inquiry, examining how employment and health outcomes for young people vary by place. The first part of the year saw major labour-market reports for the Economy 2030 Inquiry on the topics of raising both the wage floor and the floor for non-wage terms through regulation, and how to improve the bargaining power of workers above these floors through new labour-market institutions. We also continued to produce our currently monthly and quarterly labour market products, and to calculate the Real Living Wage.

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Achievements and performance (continued)**

**Housing, wealth and debt**

Building on the work we did on housing quality during the pandemic period, we explored the interface between housing and net zero with a policy paper on home insulation. As the cost of living crisis continued, we investigated which families were struggling most with their housing costs using two waves of a bespoke survey. On household wealth, we produced the first of our new Wealth-in-Focus pieces as part of our renewed collaboration with abrdn Financial Fairness Trust. That paper looked at how the change in the interest-rate environment has prompted a sharp reversal in recent trends in rising wealth. We also published a briefing note looking at policies to encourage saving, providing recommendations for how such policies could be used to help improve the financial resilience of lower-income families.

**Tax and welfare**

As part of our Economy 2030 work, we examined how both the UK's social security system and the tax system can best contribute to a world where the UK has higher growth and lower inequality; we also looked at reforming the UK's welfare system so that it can better protect workers from employment shocks. We examined the role that locally-administered, discretionary policies should play in the UK's welfare system, and at how the increasing overlap between UC and the withdrawal of Child Benefit is leading to some truly penal marginal deduction rates.

**Firms and productivity**

We published two major reports in this area focused on boosting business investment, and improving the dynamism and efficiency of UK firms.

**Places and spatial inequalities**

With spatial inequalities high on the public policy agenda, we undertook two deep dives to establish what a plausible strategy for productivity growth would look like in our twin 'second cities' (Greater Manchester and Birmingham). Working directly with officials in the cities, we explored what a higher growth future would really look like, what scale of change would be needed to achieve growth of that nature, and who would most and least benefit as a result.

**Intergenerational Centre**

We published our fourth annual Intergenerational Audit, providing an intergenerational assessment of how incomes and household balance sheets changed over the course of the cost of living crisis, including the impact of higher inflation and higher interest rates. We collaborated on a report with researchers from the Nuffield Politics Research Centre, University of Oxford, using new survey data to explore intergenerational views, conflict and policy preferences.

**Macroeconomic Policy Unit**

As the cost of living crisis continues, we have used our regular Macroeconomic Policy Outlook to analyse changes in inflation and what the impact of rising interest rates on families across the income distribution might be. We have also continued to provide analysis ahead of, and in response to, the Autumn Statement 2022 and Spring Budget 2023, and we wrote a substantial piece on how public investment could be used to help tackle Britain's chronic under-investment problem, focussing on how our framework for such policy decisions needed to change.

**Net zero**

We published a major new report into how a system of road pricing can be introduced in the UK as revenues from fuel fall to zero as use of petrol-driven cars falls.

**Trade in the aftermath of Brexit**

The main focus of our work on trade has been an ambitious report on how the Government should change its trade strategy following the UK's departure from the EU, with the key recommendation being to adopt a strategy that is defensive on goods trade and expansive on services trade. We have also published a piece on our continued monitoring of how the UK economy has adapted to new trade barriers, which included an assessment of how trade and the wider economy have been affected.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Achievements and performance (continued)**

**The Economy 2030 project**

The Economy 2030 project was almost concluded, with work substantively complete on the book-length Final Report, and its release planned at a major event in December 2023. The book built on the findings of Stagnation Nation (the project's Interim Report).

**Ventures**

The Workertech Partnership continued to deliver investments and ecosystem building activities, with support from our funding partners. This included making seven direct investments, and delivering an interim impact report for the programme. We continued to participate in industry groups and events, including hosting an event for Impact VC, to continue to learn and develop our impact investing practices. We developed a specific proposal for a larger social impact fund to follow on from this programme, with support from Big Society Capital's Ideas for Impact programme.

**b. Fundraising activities and income generation**

The Charity does not actively solicit donations directly from the public and does not use third parties for fundraising. Therefore it is not registered with the Fundraising Regulator and does not subscribe to any fundraising codes of practice. Were donations from individuals or trusts and foundations to be received, the Charity would ensure personal data is appropriately protected. The Charity received no complaints within the year regarding fundraising.

**Financial review**

**a. Financial position**

The Financial statements show income for the year of £3,659,969 (2022: £3,285,540) with expenditure in the year of £3,414,407 (2022: £3,010,643).

The income to the charity comprise donations from the Resolution Trust which was established by Sir Clive Cowdery in 2007 and provides ongoing funding for the Resolution Foundation. Other income include donations and payments from charitable trusts and other organisations for project specific work, bank interest received in the year, an administration fee for work carried out on behalf of the Resolution Trust and other miscellaneous donations and payments for ad hoc activity like speaking engagements.

In June 2022, the Trustees of the Resolution Trust agreed minimum funding for the Foundation of £2,500,000 for 2022/2023, £2,500,000 for 2023/2024, and £2,500,000 for 2024/2025. In January 2023, the Trustees of the Resolution Trust agreed to increase this minimum funding for the Foundation to £2,560,000 for 2022/2023, £2,560,000 for 2023/2024, and £2,560,000 for 2024/2025.

At 30 September 2023, the Charity had free reserves totalling £1,759,570 (2022: £1,406,857). In addition, funds held for restricted purposes amounted to £54,081 (2022: £161,232).



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**b. Reserves policy**

The Trustees have received as part of their funding commitment from the Resolution Trust a commitment that the Trust will meet any costs associated with the winding up of the Resolution Foundation. In addition to the Trust's commitment, the Trustees of the Foundation consider it wise to maintain a level of reserves commensurate with covering immediate commitments. As such, the Trustees consider the optimal level of free reserves to be at least £600,000 and will seek to manage income and expenditure prudently in order to deliver that level of free reserves.

**c. Future plans**

The charity's key objectives for 2023/2024 are:

- To retain a clear focus on living standards via robust analysis, all with a clear purpose of improving outcomes for low-to-middle income households;
- To consider what changes are needed to policies, structures and institutions so that the UK can navigate better the changes required to react to Brexit, Covid-19 and the move to net zero, and ensure robust economic growth that benefits all sections of society;
- To inform public and policy debate on the country's response to the cost of living crisis by documenting its impacts on living standards, and prescribing policy solutions to support low-to-middle income households and the underlying health of the UK economy;
- To inform public debates on issues relating to economic performance and low-to-middle income households during the build up to the expected UK general election in late 2024.

**Cost of living**

Although inflation is falling, that does not mean that cost of living pressures are easing. With funding from The Health Foundation, we will field our final large-scale survey to learn about how families are coping with rising costs, and the impact on their health and financial resilience.

**Incomes and inequality**

We will continue to publish our annual flagship Living Standards Outlook (setting out what current economic forecasts and existing policies imply for families across the income distribution), and Living Standards Audit in the summer (assessing recent trends in living standards). We will begin a major new project on the changing characteristics of low-to-middle income households.

**Job, skills and pay**

We will conclude a long-running project on Young People's Mental Health with a high-profile policy report. We will assess how minimum wage uprating affects living standards, as well as covering low pay more broadly in our annual Low Pay Britain report. We will begin work analysing the intersection between pay and LMI households. We will begin a new programme of work on high-frequency volatility in pay, especially among the low paid; we will kick off a new programme of work on precarity in the workplace; and, as in every year, we will calculate the Real Living Wage.

**Housing, wealth and debt**

This year, our housing work will focus on what a higher interest-rate world means for housing costs. We will publish regular analysis of how mortgagors' costs are affected which will be regularly updated as interest rates change; and investigate what sits behind rising nominal private rents in the UK. We will begin new work on the links between housing and ethnicity. On household wealth, the focus will be on the wealth context to the election and what falls in asset prices and higher interest rates might do to reshape the priorities of voters across the income distribution. We also plan to publish our first Wealth Audit as part of our renewed collaboration with aFFT. This will be a chance to update our understanding of the distribution of wealth following the pandemic.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Tax and welfare**

We will do a number of 'deep dives' into various aspects of the benefits system over the coming year, from uprating decisions, LHA and childcare support for parents in education. We will produce a major paper on UC, comparing the benefit today with the legacy system and UC as originally envisaged in 2013, alongside launching a new programme of work on disability benefits.

**Firms and productivity**

We will begin work analysing productivity and worker matching using the Longitudinal Education Outcomes data.

**Intergenerational Centre**

We will publish our regular Intergenerational Audit, which this year will focus on comparing the US experience – where millennials have begun to make up some of the lost ground with previous generations – with the UK.

**Macroeconomic Policy Unit**

Providing analysis around major fiscal events, particularly in the context of the upcoming election, will remain a key part of our work in this area. This will include previewing and responding to both 2023 Autumn Statement in November 2023, and the Spring Budget in 2024. We will publish an in-depth report on whether the current fiscal framework – largely set during the calmer economic times of the 1990s – is still fit for purpose, and we will continue to use our Macroeconomic Policy Outlooks to assess the speed and impact of the fall in inflation.

**Net zero**

This work will continue to focus on the implications of the transition to a net zero carbon economy for low-to-middle-income families, embarking on a major new set of papers which take a 'sectoral' approach to assessing the costs. The first of these publications will look at how the energy sector is adapting to the demands of the move to zero-carbon electricity, focusing on how the required investment can be paid for fairly. The plan is to follow this up with a piece focusing on the transport sector.

**Trade**

Our work on trade will broaden out to cover the wider impact of changes in the pattern of trade on families and the wider economy. In that context we will look at what has been driving the rapid growth in services trade, and how that success has been shared geographically across the UK. We will also look at how exposure to international trade has changed over the past two decades for households and workers, and we will continue to monitor the impact of Brexit on trade flows and the wider economy.

**The Economy 2030 project**

We will publish the last of the papers and essays for the Economy 2030 Inquiry. The Economy 2030 project will conclude with a book-length Final Report, launched at a major event in December 2023. This will synthesise approximately 70 reports and developing an economic strategy supported by detailed policy recommendations designed to address low growth and high inequality. In 2024, we will focus on sharing its conclusions at events around the UK.

**Preparation for the UK general election**

We will produce a series of papers providing context to the next UK general election, setting out the Government's record and discussing the key challenges that await whoever forms the next government. We will cover: public finances; tax; living standards; welfare; housing; economic growth; intergenerational issues; net zero; and spatial inequalities.

**Ventures**

The Workertech Partnership will continue to early 2024, and will deliver investments and ecosystem building activities, with support from our funding partners. This will include making further pre-seed stage direct investments, supporting our portfolio with impact management and delivering a final impact report for the programme, as well as a final one-day conference event. We will aim to complete the establishment of a larger social impact fund to follow on from this programme in late 2024 and we expect to formally agree pro-bono legal support from Morgan, Lewis and Bockius.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Structure, governance and management**

**a. Governing document**

The Resolution Foundation was incorporated on 11 October 2005 as a company limited by guarantee and was registered as a charity on 24 June 2006. The Charity is governed by its Memorandum and Articles of Association.

**b. Recruitment and appointment of new trustees**

The Trustees (who are also the directors of the charitable company for the purposes of company law) are a self-appointing body with each Trustee initially appointed for a three-year term. New Trustees can be nominated by any existing Trustee and are appointed according to relevant skills and experience.

**c. Organisational structure**

Trustees attend regular meetings where progress, strategy and plans are discussed. They are also sent relevant documentation including minutes of meetings. The Trustees meet as necessary and not less than three times each year, and all key decisions affecting the Charity are made at these meetings. The Trustees appointed Torsten Bell (Chief Executive) in September 2015 who has day to day responsibility for all operational matters. The Right Hon. Lord David Willets (President of the Advisory Council and Intergenerational Centre) was appointed in June 2015 and Gavin Kelly (Chief Executive 2010-2015) re-joined the executive team as Chair in April 2019.

**d. Induction and training of new trustees**

Trustees are given an in-depth introduction to the organisation and the role of Trustees through a formal induction process and meetings with the Chair of Trustees and the Chief Executive.

**e. Key management remuneration**

The key management personnel of the Foundation are those persons having authority and responsibilities for planning, directing and controlling the activities of the entity, directly or indirectly, including any Trustees of the entity. For the Foundation, they comprise the Chair, the President of the Advisory Council and Intergenerational Centre, the Chief Executive, the Deputy Chief Executive, the Director of Communications and the Director of Resources. The remuneration of the Chair, the President of the Advisory Council and Intergenerational Centre, and the Chief Executive is set by the Trustees. All other staff salaries are set by the senior management team. Salaries are benchmarked using comparisons with charities and public policy related organisations in similar labour markets both by geography and issue areas, taking into account factors including inflation and the Foundation's financial position. The Foundation is an accredited Living Wage employer. All our staff and contractors are paid at least the Living Wage which is an hourly rate set and updated annually, based on the cost of living.

**f. Related parties**

Trustees are required to disclose all relevant interests, register them with the Chief Executive and withdraw from decisions where a conflict of interest arises. All Trustees give of their time freely and no Trustee remuneration or travel expenses were paid during the year. The Trustees who acted during the year are those listed in this report. Related party transactions are disclosed in the notes to these financial statements.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Structure, governance and management (continued)**

**g. Risk management**

The Trustees acknowledge their responsibility for establishing a risk management system and are satisfied that appropriate systems and procedures have been established to identify and manage the major risks faced by the Charity.

The Foundation has a risk management strategy in place. The risk register is reviewed annually by the board of Trustees and monitored by the senior management team who take responsibility for implementation of the policies and procedures identified to mitigate risks. In addition, risk reviews are undertaken regularly by the Trustees and senior management team to ensure the Foundation's operational rigour, attachment to purpose and independence are maintained.

The most significant external risk identified during the year was an increased reliance on volatile and external funding to maintain current activity levels. We have established a clear oversight strategy which determines the funders we work with, the projects we take on and the conditions we sign up to. This strategic decision making is informed by longer term financial forecasting, the level of reserves built up in recent years and the impact potential projects will have on our ability to fulfil our charitable objective. Risks are further mitigated by the priority we place on relationship management and robust internal processes established to manage reporting requirements.

The most significant organisational risk faced during the year related to the need to respond adequately to the ongoing Cost of Living crisis while continuing to deliver the Economy 2030 Inquiry (a collaboration with the Centre for Economic Performance at the London School of Economics, funded by the Nuffield Foundation). Failure to meet the objectives of these dual priorities would have a detrimental impact on the Foundation's ability to carry out its wider strategic plan and impact our ability to fulfil our charitable objective. The risks involved were mitigated by appropriate strategic planning and the implementation of associated managerial procedures, including clear communication with external partners and the Foundation team.

**EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

**Statement of Trustees' responsibilities**

The Trustees (who are also the 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 (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its income and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 business.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**Statement of Trustees' responsibilities (CONTINUED)**

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**Auditors**

The auditors, haysmacintyre, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

These financial statements have been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Approved by order of the members of the board of Trustees and signed on their behalf by:

*Clive Cowdery*

**Clive Cowdery**  
Trustee

Date: 28/06/2024

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RESOLUTION FOUNDATION**

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**Opinion**

We have audited the financial statements of The Resolution Foundation (the 'charity') for the year ended 30 September 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 30 September 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

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**THE RESOLUTION FOUNDATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RESOLUTION FOUNDATION**  
**(CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

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**THE RESOLUTION FOUNDATION**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RESOLUTION FOUNDATION**  
**(CONTINUED)**

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**Responsibilities of trustees**

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

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

**Auditors' 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 Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to registered charities, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011 and other factors such as income tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to areas of estimation uncertainty and to manual accounting journals. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.



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**THE RESOLUTION FOUNDATION**  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE RESOLUTION FOUNDATION**  
**(CONTINUED)**

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Use of our report**

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



**Siobhan Holmes (Senior Statutory Auditor)**

for and on behalf of

**haysmacintyre**

Statutory Auditors

10 Queen Street Place

London

EC4R 1AG

Date: 28 June 2024

**THE RESOLUTION FOUNDATION**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Income from:</b>					
Donations and legacies	4	2,503,613	1,102,195	3,605,808	3,228,263
Investments	5	8,820	-	8,820	1,583
Other income	6	45,341	-	45,341	55,694
<b>Total income</b>		<b>2,557,774</b>	<b>1,102,195</b>	<b>3,659,969</b>	<b>3,285,540</b>
<b>Expenditure on:</b>					
Charitable activities	7	2,205,061	1,209,346	3,414,407	3,010,643
<b>Total expenditure</b>		<b>2,205,061</b>	<b>1,209,346</b>	<b>3,414,407</b>	<b>3,010,643</b>
<b>Net movement in funds</b>		<b>352,713</b>	<b>(107,151)</b>	<b>245,562</b>	<b>274,897</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		1,406,857	161,232	1,568,089	1,293,192
Net movement in funds		352,713	(107,151)	245,562	274,897
<b>Total funds carried forward</b>		<b>1,759,570</b>	<b>54,081</b>	<b>1,813,651</b>	<b>1,568,089</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 19 to 38 form part of these financial statements.

**THE RESOLUTION FOUNDATION**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 05588883**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Investments	12	577,362	237,486
<b>Current assets</b>			
Debtors	13	1,383,270	1,703,736
Cash at bank and in hand		1,035,210	601,631
		<u>2,418,480</u>	<u>2,305,367</u>
Creditors: amounts falling due within one year	14	(1,032,191)	(824,764)
<b>Net current assets</b>		<u>1,386,289</u>	<u>1,480,603</u>
<b>Total assets less current liabilities</b>		<u>1,963,651</u>	<u>1,718,089</u>
Creditors: amounts falling due after more than one year	15	(150,000)	(150,000)
<b>Total net assets</b>		<u><u>1,813,651</u></u>	<u><u>1,568,089</u></u>
<b>Charity funds</b>			
Restricted funds	16	54,081	161,232
Unrestricted funds	16	1,759,570	1,406,857
<b>Total funds</b>		<u><u>1,813,651</u></u>	<u><u>1,568,089</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

*Clive Cowdery*

**Clive Cowdery**  
Trustee

Date: 26/06/2024

The notes on pages 19 to 38 form part of these financial statements.

**THE RESOLUTION FOUNDATION**  
(A Company Limited by Guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	<b>2023</b>	<b>2022</b>
	£	£
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>764,635</b>	<b>(493,819)</b>
<b>Cash flows from investing activities</b>		
Purchase of social investments	<b>(339,876)</b>	<b>(122,469)</b>
Interest received	<b>8,820</b>	<b>1,583</b>
<b>Net cash used in investing activities</b>	<b>(331,056)</b>	<b>(120,886)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>433,579</b>	<b>(614,705)</b>
Cash and cash equivalents at the beginning of the year	<b>601,631</b>	<b>1,216,336</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>1,035,210</b>	<b>601,631</b>

The notes on pages 19 to 38 form part of these financial statements

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**THE RESOLUTION FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**1. General information**

The Resolution Foundation is a company limited by guarantee incorporated in England and Wales, registration number 05588883 (charity number 1114839).

The registered address is 2 Queen Anne's Gate, London, SW1H 9AA.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

**2.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, and on that basis the charity is considered to be a going concern.

**2.3 Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations are recognised as income in the year in which the donor states the funds should be expended. Where no such statement is made the income is recognised in the year in which it is receivable.

Income received in advance for the provision of a specified service is deferred until the criteria for income recognition are met.

Investment income is recognised when receivable and the amount can be measured reliably by the charity.

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**THE RESOLUTION FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**2. Accounting policies (continued)**

**2.4 Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Support costs comprise of costs associated with the management and administration of the charity and governance costs which are incurred in connection with the general running of the charity as opposed to the management and administration of its activities. They include costs relating to constitutional and statutory requirements.

**2.5 Investments**

Investments are a form of basic financial instrument and comprise investments in equity instruments which are initially recognised at their transaction value and are subsequently measured at their fair value as at the balance sheet date. Changes in fair value are recognised in the Statement of Financial Activities. Quoted stocks and shares are included in the Balance Sheet at the current market price quoted on a recognised stock exchange as at the reporting date.

**2.6 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.7 Cash at bank and in hand**

Cash at bank and 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.

**2.8 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**2.9 Financial instruments**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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**THE RESOLUTION FOUNDATION**  
**(A Company Limited by Guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**2. Accounting policies (continued)**

**2.10 Pensions**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**2.11 Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Unrestricted funds are those where there are no externally imposed restrictions and are available for use at the discretion of the Trustees for expenditure on its objects or appropriated to reserves for internally designated purposes.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**2.12 Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**2.13 Taxation**

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes. Accordingly the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**3. Critical accounting estimates and areas of judgement**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying value 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 on-going 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 the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the accounts are described in the accounting policies and are summarised below:

Valuation of social investments - the charity's social investments are held at cost less impairment.

**THE RESOLUTION FOUNDATION**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**4. Income from donations and legacies**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Grants	<u>2,503,613</u>	<u>1,102,195</u>	<u><b>3,605,808</b></u>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Grants	<u>2,203,901</u>	<u>1,024,362</u>	<u>3,228,263</u>

Resolution Trust are committed to fund the Foundation for at least a further two years having awarded grants totalling £7,680,000 with effect from 1 October 2022. Of this, £5,120,000 will be received over the next two years.



**THE RESOLUTION FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Grants received, included in the above, are as follows:

	2023 £	2022 £
Resolution Trust	2,460,000	2,039,969
Aviva	-	2,000
Citizens UK	-	22,500
Ernst & Young	13,000	-
ESRC Southampton	72,309	28,500
Evershed's Sutherland	-	3,000
Family Building Society	-	45,000
Incorporated Society of British Advertisers	5,000	-
Intergenerational Futures Forum	6,774	-
Lloyds Bank PLC	-	41,300
McDonald's UK	-	5,000
National Grid	13,000	-
Natwest	10,414	-
Nuffield Foundation	653,718	726,877
Standard Life	64,500	25,000
The Health Foundation	155,894	148,985
Other miscellaneous grants	1,774	1,779
Ventures Workertech grant income	149,425	138,353
	<u>3,605,808</u>	<u>3,228,263</u>

Total funding held in the year in respect of Ventures is as follows:

	2023 £	2022 £
Resolution Trust	100,000	100,000
Ufi VocTech Trust	120,000	60,000
Friends Provident Foundation	33,177	8,581
Trust for London	90,282	32,500
Accenture (via Resolution Trust)	2,500	-
	<u>345,959</u>	<u>201,081</u>

**THE RESOLUTION FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**5. Investment income**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Bank Interest	8,820	<b>8,820</b>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Bank Interest	1,583	1,583

**6. Other income**

	<b>Unrestricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Administration charges	4,944	<b>4,944</b>
Miscellaneous income	40,397	<b>40,397</b>
	<b>45,341</b>	<b>45,341</b>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Administration charges	4,944	4,944
Miscellaneous income	50,750	50,750
	<b>55,694</b>	<b>55,694</b>

**THE RESOLUTION FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Miscellaneous income in 2023 and 2022 consists of payment for projects and articles including:

	<b>2023</b>	<i>2022</i>
	<b>£</b>	<b>£</b>
HMRC	-	3,750
Citizens UK	<b>16,500</b>	24,000
Guardian/Observer	<b>4,626</b>	5,299
Natwest	<b>4,000</b>	16,000
Ernst & Young	<b>4,000</b>	-
Heriot Watt University	-	-
Joseph Rowntree Foundation	<b>9,000</b>	-
Others	<b>2,271</b>	1,701
	<b>40,397</b>	<i>50,750</i>

The above income is wholly unrestricted.

**7. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total 2023 £</b>
Research and Education	2,205,061	1,209,346	<b>3,414,407</b>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total 2022 £</i>
Research and Education	2,010,211	1,000,432	3,010,643

**THE RESOLUTION FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>
Research and Education	3,328,789	85,619	<b>3,414,408</b>

	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Research and Education	2,947,873	62,770	3,010,643

**Analysis of support costs**

	<b>Total funds 2023 £</b>	<b>Total funds 2022 £</b>
Other operating leases	5,356	5,172
IT support and supplies	35,744	28,007
Insurance	4,978	3,632
Postage and stationery	339	1,061
Memberships and subscriptions	2,302	3,521
Photocopier charges	2,954	1,901
Payroll and finance support	8,981	3,803
Travel	4,415	4,946
Auditors' remuneration	19,440	9,750
Sundries	1,110	977
	<b>85,619</b>	<b>62,770</b>

**THE RESOLUTION FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**9. Auditors' remuneration**

	<b>2023</b>	<i>2022</i>
	£	£
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<b>18,000</b>	9,750
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	<b>1,440</b>	-
	<u><u>1,440</u></u>	<u><u>-</u></u>

**10. Staff costs**

	<b>2023</b>	<i>2022</i>
	£	£
Wages and salaries	<b>1,854,011</b>	1,768,451
Social security costs	<b>226,724</b>	216,738
Contribution to defined contribution pension schemes	<b>127,365</b>	122,472
	<u><u>2,208,100</u></u>	<u><u>2,107,661</u></u>

The average number of persons employed by the Charity during the year was as follows:

	<b>2023</b>	<i>2022</i>
	No.	No.
Total	<b>31</b>	30
	<u><u>31</u></u>	<u><u>30</u></u>

The average headcount expressed as full-time equivalents was:

	<b>2023</b>	<i>2022</i>
	No.	No.
Total	<b>28</b>	26
	<u><u>28</u></u>	<u><u>26</u></u>

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**THE RESOLUTION FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**10. Staff costs (continued)**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>2023</b>	2022
	<b>No.</b>	<i>No.</i>
In the band £60,001 - £70,000	<b>3</b>	2
In the band £70,001 - £80,000	<b>1</b>	2
In the band £80,001 - £90,000	<b>3</b>	2
In the band £90,001 - £100,000	<b>1</b>	-
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	<b>1</b>	-
In the band £120,001 - £130,000	-	1
In the band £130,001 - £140,000	<b>1</b>	1
In the band £140,001 - £150,000	<b>1</b>	-

**Key management personnel**

The total employee benefits paid to key management personnel during the year amounted to £757,981 (2022: £706,899).

**11. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 30 September 2023, no Trustee expenses have been incurred (2022 - £NIL).

**THE RESOLUTION FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**12. Social investments**

	<b>Programme related investments equity £</b>
<b>Cost or valuation</b>	
At 1 October 2022	237,486
Additions	339,876
	577,362
At 30 September 2023	577,362
 <b>Net book value</b>	
At 30 September 2023	577,362
At 30 September 2022	237,486

Investments comprise the following:

	<b>2023 £</b>	<b>2022 £</b>
Subtap Limited	30,016	30,016
Breakroom / Poplar Technologies Limited	139,969	69,969
Career Ear	30,000	30,000
Ikigai Data	25,001	25,001
Social Innovation Camp	82,500	82,500
TaskHer	49,876	-
Equal Care	50,000	-
Mobilise	50,000	-
Valla Ltd	50,000	-
Organise Ltd	70,000	-
	577,362	237,486

Social Innovation Camp comprises support for TaskHer (£27,500), RECit (£27,500) and Hera/Talia (£27,500) via Bethnal Green Ventures.

The charity has a commitment for up to a further three tranches of £27,500 before 31 March 2024.

**THE RESOLUTION FOUNDATION**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2023**

Cost or valuation at 30 September 2023 is represented by:

	2023 £	2022 £
<b>Equity</b>		
Valuation	577,362	237,486
	577,362	237,486
	577,362	237,486

**13. Debtors**

	2023 £	2022 £
<b>Due within one year</b>		
Trade debtors	453,527	871,523
Other debtors	150,000	150,000
Prepayments and accrued income	779,743	682,213
	1,383,270	1,703,736
	1,383,270	1,703,736

**14. Creditors: Amounts falling due within one year**

	2023 £	2022 £
Trade creditors	98,784	131,607
Accrued expenses	70,493	47,777
Accruals and deferred income	862,914	645,380
	1,032,191	824,764
	1,032,191	824,764

Deferred income relates to amounts received but not yet utilised for ventures. The rate of recognition of deferred income into the Statement of Financial Activities, depends on the rate of expenditure.

	2023 £	2022 £
Deferred income at 1 October 2022	645,380	642,938
Resources deferred during the year	394,773	201,081
Amounts released from previous periods	(177,239)	(198,639)
	862,914	645,380
	862,914	645,380



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**15. Creditors: Amounts falling due after more than one year**

	<b>2023</b>	<i>2022</i>
	<b>£</b>	<b>£</b>
Other loans	<b>150,000</b>	<i>150,000</i>

Included within the above are amounts falling due as follows:

	<b>2023</b>	<i>2022</i>
	<b>£</b>	<b>£</b>
<b>Between one and two years</b>		
Other loans	<b>150,000</b>	<i>150,000</i>

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**16. Statement of funds**

**Statement of funds - current year**

	Balance at 1 October 2022 £	Income £	Expenditure £	Balance at 30 September 2023 £
<b>Unrestricted funds</b>				
General Funds - all funds	1,406,857	2,557,774	(2,205,061)	1,759,570
<b>Restricted funds</b>				
Unbound Philanthropy - Precarious workers	32,916	-	(32,916)	-
J P Morgan Chase Fdtn - Financial health and resilience	18,454	-	(18,454)	-
Standard Life - Wealth audit	29,203	25,000	(54,203)	-
Health Foundation - Securing High Quality Work	80,659	-	(65,576)	15,083
RF Ventures - Workertech Partnership	-	149,000	(149,000)	-
Nuffield Foundation - Economy 2030 Inquiry	-	653,718	(653,718)	-
ESRC - Intergenerational Centre	-	72,309	(72,309)	-
Health Foundation - Cost of Living	-	155,894	(123,670)	32,224
abrdn Financial Fairness Trust - Wealth audit	-	39,500	(39,500)	-
Intergenerational Futures Forum Group - Intergenerational Centre	-	6,774	-	6,774
	<u>161,232</u>	<u>1,102,195</u>	<u>(1,209,346)</u>	<u>54,081</u>
<b>Total of funds</b>	<u><u>1,568,089</u></u>	<u><u>3,659,969</u></u>	<u><u>(3,414,407)</u></u>	<u><u>1,813,651</u></u>

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**16. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 October 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 30 September 2022 £</i>
<b>Unrestricted funds</b>				
General Funds	1,155,890	2,261,178	(2,010,211)	1,406,857
<b>Restricted funds</b>				
Unbound Philanthropy - Precarious workers	60,490	-	(27,574)	32,916
J P Morgan Chase Fdtn - Financial health and resilience	37,954	-	(19,500)	18,454
Standard Life - Wealth audit	38,858	25,000	(34,655)	29,203
Health Foundation - Securing High Quality Work	-	123,985	(43,326)	80,659
RF Ventures - Workertech Partnership	-	27,500	(27,500)	-
Nuffield Foundation - Economy 2030 Inquiry	-	726,877	(726,877)	-
Family Building Society - Intergenerational Transfers	-	45,000	(45,000)	-
Health Foundation - Impact of COVID-19 on Employment, Debt and Health	-	25,000	(25,000)	-
ESRC - Intergenerational Centre	-	28,500	(28,500)	-
Citizens UK - Living Pension	-	22,500	(22,500)	-
	<u>137,302</u>	<u>1,024,362</u>	<u>(1,000,432)</u>	<u>161,232</u>
<b>Total of funds</b>	<u><u>1,293,192</u></u>	<u><u>3,285,540</u></u>	<u><u>(3,010,643)</u></u>	<u><u>1,568,089</u></u>

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**16. Statement of funds (continued)**

**abrdn Financial Fairness Trust (formerly Standard Life) – Wealth Audit (2023 – 2027)**

A four year grant supporting research and analysis that aims to build evidence on the level and inequality of household wealth in Britain, with the objective of improving policy making through rigorous analysis and engagement in policy debates.

**Citizens UK - Living Pension**

The research quantifies how many low-paid workers saving now are on track for a 'Living Pension' in retirement and how many will be living on less. Using ASHE data, this research considers the current pension contributions being made by employees and employers in order to understand the scale of the potential problems ahead, and the scale of the uplift needed to ameliorate it.

**ESRC - Intergenerational Centre**

A five-year ESRC-funded project in collaboration with the University of Southampton, University of St Andrews, and University of Oxford, to innovate understanding of intergenerational relations and population change; re-think intergenerational connections for post-Brexit/Covid society; and produce novel science that will drive policy thinking towards improving the lives of individuals, families, communities and businesses.

**Family Building Society - Intergenerational Transfers**

A research project focused on the effects that gifts and inheritances have on the living standards and choices of British families, especially the impact that inheritances and gifts have on the lifetime living standards of young adults. The project also unpacks the indirect behavioural effects intergenerational transfers have on younger and older people's decisions around work, consumption, saving, living situations and social care.

**Health Foundation - Impact of COVID-19 on employment, debt and health**

This project, in collaboration with the Health Foundation, an independent charity committed to bringing about better health and health care for people in the UK, considered the impact of COVID-19 on employment, debt and health, and explored individuals' experience of the pandemic.

**Health Foundation - Securing high quality work for young adults**

This three-year project, supported by the Health Foundation who are committed to bringing about better health and health care for people in the UK, focuses on the impact of poor quality work on young people and the difficulties they face in accessing high quality work.

**Intergenerational Futures Forum Group - Intergenerational Centre**

A donation made in memory of Baroness Sally Greengross, OBE to fund research and policy work, including a public event, relating to intergenerational issues.

**JPM Chase Foundation - Financial Health and Resilience across Europe**

The purpose of the grant is to provide rigorous insight into the challenge of financial resilience among low-to-middle income households across a range of European countries; and scope the role that financial inclusion labs, or alternative policy interventions, could play in pioneering new high-impact solutions to this problem.

**Nuffield Foundation - Economy 2030 Inquiry**

The Economy 2030 Inquiry, a collaboration with the Centre for Economic Performance (CEP) at the London School of Economics (LSE), funded by the Nuffield Foundation, is a three year project which aims to address the question of economic change in light of the impact of Covid-19, the exit from the EU and the need to transition towards a Net Zero future.

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**16. Statement of funds (continued)**

**RF Ventures - Workertech Partnership**

The Workertech Partnership is a three year programme of social investment, in collaboration with Accenture, Friends Provident Foundation, the Joseph Rowntree Foundation, Trust for London and Ufi VocTech Trust, aimed at supporting the growth of new innovative start-ups seeking to change the world of work for the better.

**Standard Life (now abrdrn Financial Fairness Trust) - Wealth audit**

This project aims to increase understanding of and engagement with the role of wealth in 21st Century Britain, with the objective of improving policy making in the 2020s. Its defining features are a long term and rigorous analytical focus on wealth trends with active engagement in policy debates, particularly around wealth accumulation and taxation.

**Unbound Philanthropy - Precarious Workers / Labour Market Enforcement**

This research programme explores labour market enforcement in the UK - especially for those at the bottom end of the labour market - and aims to put labour market enforcement more firmly on the policy agenda. The programme launched with a review of secondary data to establish the nature and scale of labour market violations, and then proceeded to explore two specific areas (minimum wage non-compliance and auto-enrolment) in depth.

**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>
Fixed asset investments	-	577,362	<b>577,362</b>
Current assets	2,418,480	-	<b>2,418,480</b>
Creditors due within one year	(508,910)	(523,281)	<b>(1,032,191)</b>
Creditors due in more than one year	(150,000)	-	<b>(150,000)</b>
<b>Total</b>	<b>1,759,570</b>	<b>54,081</b>	<b>1,813,651</b>

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**17. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Fixed asset investments	-	237,486	237,486
Current assets	2,144,135	161,232	2,305,367
Creditors due within one year	(587,278)	(237,486)	(824,764)
Creditors due in more than one year	(150,000)	-	(150,000)
<b>Total</b>	<u>1,406,857</u>	<u>161,232</u>	<u>1,568,089</u>

**18. Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2023 £</b>	<b>2022 £</b>
Net income for the year (as per Statement of Financial Activities)	<u>245,562</u>	<u>274,897</u>
<b>Adjustments for:</b>		
Gains on investments	-	27,500
Dividends, interests and rents from investments	(8,820)	(1,583)
Decrease/(increase) in debtors	320,466	(731,131)
Increase/(decrease) in creditors	207,427	(63,502)
<b>Net cash provided by/(used in) operating activities</b>	<u>764,635</u>	<u>(493,819)</u>

**19. Analysis of cash and cash equivalents**

	<b>2023 £</b>	<b>2022 £</b>
Cash in hand	<u>1,035,210</u>	<u>601,631</u>
<b>Total cash and cash equivalents</b>	<u>1,035,210</u>	<u>601,631</u>

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**20. Analysis of changes in net debt**

	At 1 October 2022 £	Cash flows £	At 30 September 2023 £
Cash at bank and in hand	601,631	433,579	1,035,210
Debt due after 1 year	(150,000)	-	(150,000)
	<u>451,631</u>	<u>433,579</u>	<u>885,210</u>

**21. Pension commitments**

The charitable company operates a defined contribution pension scheme through The Pensions Trust with contributions being made by both employer and employees at variable rates. The assets of the scheme are held separately from those of The Resolution Foundation. Pension costs charged represent contributions payable by the Foundation to the Trust. Total pension costs in the current year amounted to £127,365 (2022: £122,472). At the year end £nil was due to the Trust (2022: £nil).

**22. Operating lease commitments**

At 30 September 2023 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	134,301	317,093
Later than 1 year and not later than 5 years	-	224,691
	<u>134,301</u>	<u>541,784</u>

The following lease payments and changes in lease payments have been recognised in the Statement of Financial Activities:

	2023 £	2022 £
Operating lease rentals - property	179,440	179,440
Operating lease rentals - other	-	5,172
	<u>179,440</u>	<u>184,612</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**23. Related party transactions**

One of the trustees of the Foundation is the sole director of Resolution Service Management Ltd. The Foundation signed a five year lease with Resolution Service Management Ltd for new premises in November 2015. In December 2019, the Foundation signed a five year lease with Resolution Service Management Ltd which cancelled the November 2015 lease in favour of co-terminus leases for their existing premises and an additional floor within the same building. The decision was taken by the independent trustees after considering market value and the benefits to the Foundation given the facilities and location.

Total rent paid to Resolution Service Management Ltd during the year amounted to £179,440 (2022: £179,440).