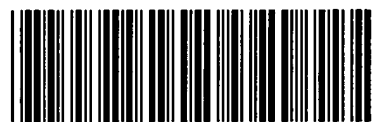


Registered number: 06578379
Charity number: 1125735

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

MONDAY



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SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

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SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

Trustees

Bill Liao, Chair
Natalie Campbell, Trustee (resigned 3 January 2018)
Nora Nanayakkara, Trustee (resigned 5 January 2018)
Sebastien Lahtinen, Trustee
Elizabeth Murray, Trustee
Jemima Rellie, Trustee (resigned 5 January 2018)
Hannah Kearthland, Trustee (appointed 3 July 2017)
Nicolas Temple, Trustee (appointed 1 June 2018)

Company registered number

06578379

Charity registered number

1125735

Registered office

99 Park Drive
Milton Park
OX14 4RY

Independent auditor

James Cowper Kreston
Chartered Accountants and Statutory Auditor
2 Chawley Park
Cumnor Hill
Oxford
Oxfordshire
OX2 9GG

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

TRUSTEES' REPORT
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

Objectives and Activities

Social Tech Trust (the Trust) is a leading charity, with a strong purpose of transforming lives with tech. Building on a decade of pioneering grant funding, its vision is a world where social transformation is the driving force behind tech.

The charity works in several ways to ensure tech has a positive effect on society. Using an evidence-based approach, Social Tech Trust is instrumental in helping social tech ventures source the funding and support needed to develop and scale their social impact. This has been primarily through grant making and providing business support. The charity also works in partnership with organisations who share their vision and can build greater capacity for systemic change in society. Social Tech Trust champions the potential of tech in addressing the UK's most significant social challenges and plays an active role in building a supportive social tech ecosystem for ventures to thrive.

Grantmaking Policies

The aims of the Trust are wide and in the public benefit, promoting the use of tech to address big social challenges. The Trust will make grants to appropriate organisations that meet the following criteria:

- Advance the education of the public in the subject of the internet and information technology.
- Relieve financial hardship and advance education relating to the internet and information technology in deprived areas.
- Relieve the social, health and educational needs of disabled, sick, or older people.
- Advance the education of young people in the United Kingdom and support education institutions offering a strong emphasis on technology and its practical applications.
- Promote the protection of children and other vulnerable people from danger, suffering, or being abused through the use of the internet.
- Promote and support the provision of services for the protection of people and property from criminal activities on the internet and to assist in the development of technology to prevent and detect criminal activity on the internet.
- Relieve financial hardship, advance education and assist the development of the internet in developing countries.
- Any other charitable purpose.

What we achieved in 2017/18

During the reporting period the Trust worked in three ways to achieve its vision and charitable objectives.

Investing in Change

During the last year, the Trust provided financial and business support to a variety of socially motivated tech initiatives, with particular focus on supporting the seventh cohort of Social Tech Seed ventures. Social Tech Seed is an open grant funding programme, inviting charities and social businesses to apply for grants of up to £50,000 to support the development of products or services using tech to tackle specific social challenges. The 2017 cohort included Xploro (previously known as Patient's Virtual Guide) - a digital platform using AR and AI to support children experiencing hospital treatment; and Disrupt Disability - a start-up using 3D printing to create modular wheelchairs, customisable to their users' body, environment and style.

Also, well underway, was Digital Reach, a £600,000 grant programme designed to improve the lives of the hardest to reach young people in society, by equipping them with essential digital skills. Digital Reach awarded grants to organisations who had existing trusted relationships with vulnerable young people. The cohort included #techmums, UK Youth and Action for Children.

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

TRUSTEES' REPORT (continued)
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

Through the Trust's Social Tech Growth programme, Founders for Schools was awarded £200,000 to develop and scale their tech enabled initiative helping to improve the life chances of students by connecting them to business leaders.

In partnership with The Baring Foundation, the Trust co-developed and co-funded the Digital Arts and Creative Ageing grant programme. This joint fund awarded five projects from across the UK with business support and grant funding of up to £90,000 each, to develop digital tech solutions to engage the over 65s in the creative arts.

Enabling the Growth of Social Tech

Collaborative partnerships have enabled the Trust to foster the growth of socially motivated tech at scale.

In partnership with social investors Big Society Capital and the Joseph Rowntree Foundation, the Trust became a founding partner of Fair By Design – a collaborative programme of activity which aims to end the poverty premium in the UK by 2027. Fair By Design provides funding and support for ventures using tech to create products and services to end the extra cost of being poor, the programme also having an integral campaign managed by Barrow Cadbury Trust. The broad focus areas are energy, finance, insurance and geography.

In partnership with Creative England, the Trust announced the first two social businesses to benefit from the £1 million iAMDigital fund. Northcoders and Turing Lab are teaching coding to young people from diverse and disadvantaged backgrounds. The fund was created to increase the digital capability and significantly improve the life chances of those involved.

As a founding partner, Social Tech Trust continues to work closely with Bethnal Green Ventures, Europe's first impact investment start-up accelerator, which supports tech start-ups tackling major social and environmental challenges.

Leading a Conversation About Social Tech

The Trust continued to share its vision for socially motivated tech and celebrated the fifth anniversary of its inspirational NT100 campaign. The progress of 400 NT100 projects featured since 2013 was analysed, enabling the publication of key insights and social tech trends from the last five years. The podcast series, Our Lives + Tech, explored the relationship between tech and society, successfully engaging thousands of listeners.

In October 2017, the Trust was headline sponsor of the DigitalAgenda Impact Awards for the second consecutive year. These Awards recognise social tech innovations from across the UK which improve people's lives and the world around us. Sponsorship provided a platform for the Trust to showcase its own portfolio of supported ventures, while extending its network and strengthening the wider social tech ecosystem.

The Trust continued to support the BAFTA Young Game Designer Competition as headline partner. Social Tech Trust worked with BAFTA to develop additional schools-focussed activity to engage under-represented groups, including women and young people from disadvantaged backgrounds in the games workforce.

The Trust also sponsored the Tech for Good category at the SEUK Awards in November 2017, another opportunity to demonstrate its leading role in the growing social tech movement.

Performance and Financial Review

The Trust generated income from investments of £65,178 in the period ending 31 March 2018 and Donation in Kind of £18,900 from Nominet UK.

Operating costs were kept to a minimum and costs incurred during the period were in direct relation to the ongoing running of the Trust. The Trust awarded £200,000 (2017: £3,064,821) in grants, £189,481 (2017: £262,574) in other charitable activities and designated £1,000,000 (2017: £0) for the Fair By Design partnership.

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

TRUSTEES' REPORT (continued)
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

The principal financial management policies adopted in the current economic climate are to maximise income opportunities from un-allocated reserves while minimising risk exposure and so limiting investments to treasury deposits.

The creditor balance at the year-end was made up primarily of grants payable.

The balance sheet is very strong with unrestricted funds totalling £6.5m; all funds are held with major banks primarily on fixed term deposits of varying lengths.

To date, the principal funding source for Social Tech Trust is Nominet UK.

Our Vision for the Future

After ten years as Nominet UK's corporate foundation, Nominet and the Trust have agreed that the most effective way to scale the Trust's social impact is by establishing its independence from Nominet UK.

Nominet UK has supported the Trust with funding of £44m over the last ten years and will continue their public benefit programme focusing on security, connectivity and inclusivity, while the Trust builds on its own reserves, strengthening its commitment to social tech.

In May 2018, Nominet Trust became Social Tech Trust and announced Social Investment Business as its new member and strategic partner. Over the course of the year, the Trust completed a thorough strategy review, engaging widely with stakeholders to inform the development of the new strategy. The Trust's new website clearly sets out its purpose – to transform lives with tech, and its vision – a world where social transformation is the driving force behind tech.

The Trust will continue to award grants and forge new strategic partnerships over the next 12 months, as well as supporting other charitable activities. The Trust's executive team, under the leadership of new CEO, Edward Evans, will ensure that the social impact of the Trust's grant making is evaluated and shared widely. Regular updates and upcoming funding calls are published on the Trust's website and shared across social media.

As we look to the future, Social Tech Trust will be focused on social transformation in three core areas: Communities, Health and Wealth. The team will be working closely with nine ventures from their new grant programme, Tech to Unite Us, which demonstrates how tech can reach its transformative potential when driven by equality.

In September 2018, Social Tech Trust announced a new social innovation award in partnership with Vodafone and the Vodafone Foundation. The Trust team is central to the development and delivery of the programme that will support start-ups and early stage ventures to develop tech solutions with a social purpose.

The Trust will be developing further partnerships to deliver grant programmes relating to its core areas of focus.

Remuneration of Key Personnel

The salaries of senior members of staff are established with regard to pay levels in the sector for similar positions. From time to time, an external review of pay levels for all staff is commissioned.

Reserves Policy

It is the Trust's policy to hold a minimum level of working capital to continue operations, the stated objectives and grant making, for a period of no less than 18 months. It is the view of the Trustees that a minimum level of unrestricted funds should be maintained at £1,125,000 to cover the operational expenses and the balance is also adequate to cover the stated objectives and grant making. The Trust has unrestricted reserves of £6.5m, of which £1m has been designated for the Fair By Design partnership and £1.8m for next 2 years' grant programmes. This leaves free reserves of £3.7m, which is higher than the minimum reserves required by the Reserves Policy. The reserves will allow the Trust to continue activity whilst developing new income streams. The Trust also holds £20,456 in restricted reserves from The Baring Foundation for the Digital Arts & Creative

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

TRUSTEES' REPORT (continued)
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

Ageing programme.

The policy of the Trustees is to maintain the level of reserves above the threshold by means of annual operating surpluses.

Investment Policy

The Trustees pursue a risk averse investment policy, all monies being invested in interest bearing investments.

GOVERNANCE AND MANAGEMENT

Governing Document

Social Tech Trust is governed by its Memorandum and Articles of Association dated 28 April 2008 as amended by Special Resolution dated 5 September 2008, 2 April 2015, 7 July 2016 and replaced by Articles of Association dated 30 May 2018.

Recruitment and Appointment of new Trustees

The Trust's Trustee recruitment policy is guided by the Articles of Association. These are that:

The Board consists of not fewer than three and no more than ten persons elected by Members of the Trust. At the third Board Appointment Meeting (or if held, annual general meeting) after a Trustee's last appointment, a Trustee shall retire.

Trustees may be re-appointed provided that no Trustee may continue to serve after six years in office without a period of at least a year out of office. If a resolution of the Board is passed by a majority of at least 75 per cent of those voting for the appointment of such Trustee, one further consecutive term of a maximum of three years may be made. No Trustee may serve for more than nine years in total.

Induction and ongoing training of Trustees

Upon appointment, all Trustees were inducted to the organisation and briefed fully on their responsibilities. The Trustees are updated on any changes and developments in Charity Commission guidance by the CEO to ensure they are fully aware of, and comply with, all relevant legislation and guidance.

Trustees' Responsibilities

The Trustees as company Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Policies or International Financial Reporting Standards.

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the results of the company for that period. In preparing those accounts, the Trustees are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; and prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

TRUSTEES' REPORT (continued)
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

So far as the Trustees are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware and each Trustee has taken all the steps that she/he ought to have taken as a Trustee in order to make her/himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Fundraising

The Trust does not carry out any direct marketing for the purpose of raising funds to the general public, and gives clear instructions as to how individuals can be removed from our mailing lists. We do not use professional fundraisers. There have been no complaints about fundraising in the year.

Organisational Structure and how decisions are made

During the period The Trust had a Board of seven Trustees as per the Articles of Association and there were nine full-time members of staff and three part-time members of staff. Vicki Hearn led the organisation as CEO during the reporting period. She decided to step down from the Trust at the end of 2018 and Edward Evans is the Trust's new CEO.

Day to day management of the Trust during the period was delegated to the CEO, Vicki Hearn, who oversaw the process of grant application receipt and initial screening using the Trust's objects and grant making criteria, with final recommendations being made by the Investment Committee and approved by the Board. All decisions relating to grant making procedures and strategy are made at quarterly Trustees' meetings and minuted. If decisions need to be made outside of the Trustee Meetings, a consensus view is reached via email.

Trustees are regularly updated on the progress of grant funded projects and other activities for the public benefit.

The Trustees confirm that they have complied with their public benefit duty in section 17(5) of the Charities Act 2011 to have due regard to the guidance published by the Charity Commission.

Trustee meeting attendance:

Trustee	Board	Nominations & Remunerations Committee	Finance & Audit Committee	Investment Committee
Natalie Campbell	4 of 4	2 of 2	3 of 3	n/a
Bill Liao	4 of 5	2 of 2	n/a	1 of 1
Nora Nanayakkara	2 of 4	n/a	3 of 3	n/a
Sebastien Lahtinen	5 of 5	2 of 2	1 of 1	1 of 1
Elizabeth Murray	4 of 5	n/a	n/a	1 of 1
Jemima Rellie	3 of 4	n/a	2 of 2	1 of 1
Hannah Keartland	4 of 4	n/a	2 of 2	n/a

Risk Management

The Trustees have identified the major risks which may affect the Trust and have taken reasonable steps to mitigate those risks:

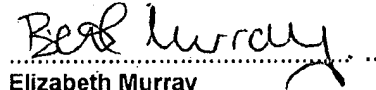
- Risk: The Trust does not attract sufficient funding to maintain current healthy reserves. Mitigation: Active engagement plan with a number of prospective funders well advanced with the full support of the Trust's Board.
- Risk: Social Tech Trust makes risky investments with its reserves. Mitigation: The Trust's Governance Framework includes an Investments Policy, with compliance monitored by the Board; the Trustees pursue a risk-averse investment policy with unallocated reserves.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in July 2014) and in accordance with the small companies regime under the Companies Act 2006.

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

TRUSTEES' REPORT (continued)
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

This report was approved by the Trustees, in their capacity as company directors, on 14/11/18 and signed on their behalf by:


.....
Elizabeth Murray
Trustee

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOCIAL TECH TRUST

OPINION

We have audited the financial statements of Social Tech Trust (the 'Charity') for the 11 month period ended 31 March 2018 set out on pages 11 to 24. 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 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure for the 11 month period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the 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

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

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

OTHER INFORMATION

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

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

We have nothing to report in this regard.

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOCIAL TECH TRUST

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 the Companies Act 2006 requires us to report to you if, in our opinion:

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

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SOCIAL TECH TRUST

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 Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Farwell MA FCA DChA (Senior Statutory Auditor)

for and on behalf of

James Cowper Kreston

Chartered Accountants and Statutory Auditor

2 Chawley Park

Cumnor Hill

Oxford

Oxfordshire

OX2 9GG

Date: 19/12/2018

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018**

	Note	Unrestricted funds 2018 (11 month period) £	Restricted funds 2018 (11 month period) £	Total funds 2018 (11 month period) £	Total funds 2017 (12 month period) £
INCOME FROM:					
Donations	2	18,900	-	18,900	5,630,616
Investment income	3	65,178	-	65,178	64,566
TOTAL INCOME		84,078	-	84,078	5,695,182
EXPENDITURE ON:					
Charitable activities	6	1,443,440	3,020	1,446,460	4,345,861
TOTAL EXPENDITURE		1,443,440	3,020	1,446,460	4,345,861
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		(1,359,362)	(3,020)	(1,362,382)	1,349,321
NET MOVEMENT IN FUNDS		(1,359,362)	(3,020)	(1,362,382)	1,349,321
RECONCILIATION OF FUNDS:					
Total funds brought forward		7,814,142	23,476	7,837,618	6,488,297
TOTAL FUNDS CARRIED FORWARD		6,454,780	20,456	6,475,236	7,837,618

The notes on pages 14 to 24 form part of these financial statements.

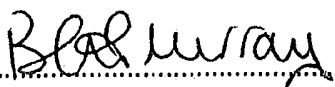
SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)
REGISTERED NUMBER: 06578379

BALANCE SHEET
AS AT 31 MARCH 2018

		11 months to 31 March 2018	12 months to 30 April 2017
	Note	£	£
FIXED ASSETS			
Tangible assets	11	54,606	80,189
CURRENT ASSETS			
Debtors	12	37,281	148,754
Cash at bank and in hand		6,883,372	10,018,724
		<u>6,920,653</u>	<u>10,167,478</u>
CREDITORS: amounts falling due within one year	13	<u>(500,023)</u>	<u>(2,288,877)</u>
NET CURRENT ASSETS		6,420,630	7,878,601
TOTAL ASSETS LESS CURRENT LIABILITIES		6,475,236	7,958,790
CREDITORS: amounts falling due after more than one year	14	-	(121,172)
NET ASSETS		<u>6,475,236</u>	<u>7,837,618</u>
CHARITY FUNDS			
Restricted funds	15	20,456	23,476
Unrestricted funds	15	6,454,780	7,814,142
TOTAL FUNDS		<u>6,475,236</u>	<u>7,837,618</u>

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

The financial statements were approved and authorised for issue by the Trustees on 14/12/18 and signed on their behalf, by:


.....
Elizabeth Murray

The notes on pages 14 to 24 form part of these financial statements.

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

STATEMENT OF CASH FLOWS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	17	<u>(3,113,359)</u>	<u>2,117,227</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(21,993)</u>	<u>(28,640)</u>
Net cash used in investing activities		<u>(21,993)</u>	<u>(28,640)</u>
Change in cash and cash equivalents in the 11 month period		(3,135,352)	2,088,587
Cash and cash equivalents brought forward		<u>10,018,724</u>	<u>7,930,137</u>
Cash and cash equivalents carried forward	18	<u>6,883,372</u>	<u>10,018,724</u>

The notes on pages 14 to 24 form part of these financial statements.

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

These financial statements are presented in Sterling which is the functional currency of the Charity.

1.2 Company status

The Charity is a company limited by guarantee. The sole member of the company at the beginning of the period was Nominet UK. On 9 May 2018 the sole membership transferred to Social Investment Business Foundation. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The principal activity of the Charity is to improve social challenges through the use of digital technology. Achievement of this activity is made through a grant-making programme.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

SOCIAL TECH TRUST
(Formerly known as Nominet Charitable Foundation)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Grants and donations received for the general purposes of the Charity are credited to Unrestricted Funds.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the Charity's operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

1.6 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

IT equipment	- 3 years straight line
IT software	- 3 years straight line

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES (continued)

1.7 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.

1.8 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.

1.9 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 twelve months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities

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.

1.11 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.

1.12 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the 11 month period.

1.13 Critical accounting estimates and areas of judgement

The Trustees have concluded that there are no areas of the financial statements that are subject to material judgements and estimates.

SOCIAL TECH TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

2. INCOME FROM DONATIONS

	Unrestricted funds 2018 (11 month period) £	Restricted funds 2018 (11 month period) £	Total funds 2018 £	Total funds 2017 (12 month period) £
Donation from Nominet UK	-	-	-	5,400,000
Grant from The Baring Foundation	-	-	-	230,616
Donation in kind	18,900	-	18,900	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total donations	18,900	-	18,900	5,630,616
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2017 (12 month period)	5,400,000	230,616	5,630,616	
	<hr/>	<hr/>	<hr/>	

3. INVESTMENT INCOME

	Unrestricted funds 2018 (11 month period) £	Restricted funds 2018 (11 month period) £	Total funds 2018 £	Total funds 2017 (12 month period) £
Bank deposit interest receivable	65,178	-	65,178	64,566
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2017 (12 month period)	64,566	-	64,566	
	<hr/>	<hr/>	<hr/>	

4. DIRECT COSTS

	Grants to institutions £	Other charitable activities £	Total 2018 £	Total 2017 £
Costs of charitable activities	264,086	125,394	389,480	3,320,319
Wages and salaries	-	-	-	6,863
National insurance	-	-	-	213
	<hr/>	<hr/>	<hr/>	<hr/>
	264,086	125,394	389,480	3,327,395
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2017 (12 month period)	3,138,615	188,780	3,327,395	
	<hr/>	<hr/>	<hr/>	

SOCIAL TECH TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

Analysis of grants made to institutions

Grants made in the period (over £50,000)

Founders4Schools	£ 200,000
	<u>200,000</u>

Grants made in the period (less than £50,000)

Other direct costs of the grant-making programme	64,086
	<u>264,086</u>

5. SUPPORT COSTS

	Donation in kind £	Support costs allocated to grant making activities £	Total 2018 £	Total 2017 £
Office space	9,600	25,600	35,200	38,400
Accountancy fees	5,700	16,519	22,219	24,573
Tech support	2,700	7,200	9,900	10,800
Bank charges	-	1,356	1,356	1,386
Subscriptions	-	4,967	4,967	5,009
Legal and professional	900	12,602	13,502	15,091
IT and office equipment	-	9,138	9,138	6,473
Staff recruitment	-	13,719	13,719	15,858
Printing and stationery	-	1,302	1,302	856
Training and conferences	-	18,838	18,838	8,926
PR costs, branding and website development	-	144,342	144,342	158,931
Travel and subsistence	-	20,882	20,882	13,368
Meeting costs	-	5,885	5,885	5,166
Telephone and postage	-	3,238	3,238	2,600
Other staff costs	-	3,993	3,993	5,428
Sponsorship	-	23,000	23,000	13,800
Insurance	-	(1,000)	(1,000)	-
Wages and salaries	-	537,549	537,549	513,308
National insurance	-	63,306	63,306	57,783
Pension cost	-	63,410	63,410	61,539
Depreciation	-	47,576	47,576	46,201
	<u>18,900</u>	<u>1,023,422</u>	<u>1,042,322</u>	<u>1,005,496</u>
<i>Total 2017 (12 month period)</i>	<u>-</u>	<u>1,005,496</u>	<u>1,005,496</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018**

6. GOVERNANCE COSTS

	Unrestricted funds 2018 (11 month period) £	Restricted funds 2018 (11 month period) £	Total funds 2018 £	Total funds 2017 (12 month period) £
Auditors remuneration	6,150	-	6,150	5,470
Trustees' expenses reimbursed, subsistence and trustee meeting costs	8,508	-	8,508	7,500
	<u>14,658</u>	<u>-</u>	<u>14,658</u>	<u>12,970</u>

7. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2018 (11 month period) £	Depreciation 2018 (11 month period) £	Other costs 2018 (11 month period) £	Total 2018 (11 month period) £	Total 2017 (12 month period) £
Grants to institutions	-	-	264,086	264,086	3,138,615
Expenditure related to donations in kind	-	-	18,900	18,900	-
Support costs allocated to grant making activities	664,265	47,576	311,581	1,023,422	1,005,496
Other charitable activities	-	-	125,394	125,394	188,780
Charitable activities	<u>664,265</u>	<u>47,576</u>	<u>719,961</u>	<u>1,431,802</u>	<u>4,332,891</u>
Expenditure on governance	<u>-</u>	<u>-</u>	<u>14,658</u>	<u>14,658</u>	<u>12,970</u>
	<u>664,265</u>	<u>47,576</u>	<u>734,619</u>	<u>1,446,460</u>	<u>4,345,861</u>
<i>Total 2017 (12 month period)</i>	<u>639,706</u>	<u>46,201</u>	<u>3,659,954</u>	<u>4,345,861</u>	

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets: - owned by the charity	<u>47,576</u>	<u>46,201</u>

During the 11 month period, no Trustees received any remuneration (2017 - £NIL).

During the 11 month period, no Trustees received any benefits in kind (2017 - £NIL).

6 Trustees received reimbursement of expenses amounting to £4,188 in the current period, (2017 - 3 Trustees - £7,500).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

9. AUDITORS' REMUNERATION

	2018 £	2017 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>6,150</u>	<u>5,470</u>

10. STAFF COSTS

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	537,549	520,171
Social security costs	63,306	57,996
Other pension costs	63,410	61,539
	<u>664,265</u>	<u>639,706</u>

The average number of persons employed by the Charity during the 11 month period was as follows:

	2018 No.	2017 No.
Administration of grant-making activities	12	10

The number of higher paid employees was:

	2018 No.	2017 No.
In the band £80,001 - £90,000	1	1
In the band £100,001 - £110,000	1	1

Key management personnel includes the Trustees, the Trust Director, the Strategy and Partnership Director and the Programme Director. No trustees were remunerated. Total remuneration in respect of key management personnel was £321,122 (2017: £298,759). All of these personnel were enrolled in the Charity's defined contribution pension scheme in the year for which contributions totalling £18,147 (2017: £15,209) were made by the Charity. The Charity's total contributions to the defined contribution scheme are included within total remuneration for key management personnel.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

11. TANGIBLE FIXED ASSETS

	IT Equipment £	IT Software £	Total £
Cost			
At 1 May 2017	16,795	142,841	159,636
Additions	9,708	12,285	21,993
At 31 March 2018	<u>26,503</u>	<u>155,126</u>	<u>181,629</u>
Depreciation			
At 1 May 2017	8,690	70,757	79,447
Charge for the 11 month period	5,790	41,786	47,576
At 31 March 2018	<u>14,480</u>	<u>112,543</u>	<u>127,023</u>
Net book value			
At 31 March 2018	<u>12,023</u>	<u>42,583</u>	<u>54,606</u>
At 30 April 2017	<u>8,105</u>	<u>72,084</u>	<u>80,189</u>

12. DEBTORS

	31 March 2018 £	30 April 2017 £
Trade debtors	-	105,616
Other debtors	132	-
Prepayments and accrued income	37,149	43,138
	<u>37,281</u>	<u>148,754</u>

13. CREDITORS: Amounts falling due within one year

	31 March 2018 £	30 April 2017 £
Trade creditors	7,428	9,800
Accruals	47,093	75,134
Grants payable	445,502	2,203,943
	<u>500,023</u>	<u>2,288,877</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018**

14. CREDITORS: Amounts falling due after more than one year

	31 March 2018 £	30 April 2017 £
Grants payable	-	121,172

15. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 May 2017 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 31 March 2018 £
Designated funds					
Designated Funds - all funds	23,476	-	(3,020)	1,800,000	1,820,456
Fair by Design	-	-	-	1,000,000	1,000,000
	<u>23,476</u>	<u>-</u>	<u>(3,020)</u>	<u>2,800,000</u>	<u>2,820,456</u>
General funds					
General Funds - all funds	7,790,666	84,078	(1,440,420)	(2,800,000)	3,634,324
Total Unrestricted funds	<u>7,814,142</u>	<u>84,078</u>	<u>(1,443,440)</u>	<u>-</u>	<u>6,454,780</u>
Restricted funds					
Digital Arts and Creative Ageing	23,476	-	(3,020)	-	20,456
Total of funds	<u>7,837,618</u>	<u>84,078</u>	<u>(1,446,460)</u>	<u>-</u>	<u>6,475,236</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 May 2016 £	Income £	Expenditure £	Transfers in/(out) £	Balance at 30 April 2017 £
Designated Funds - all funds	250,000	-	(207,140)	(19,384)	23,476
General funds					
General Funds - all funds	6,238,297	5,464,566	(3,931,581)	19,384	7,790,666
Restricted funds					
Digital Arts and Creative Ageing	-	230,616	(207,140)	-	23,476

SOCIAL TECH TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

Designated funds are funds to be used for grant making over the next two years and in the Fair by Design Partnership to fund exceptional businesses designed to make an impact on the poverty premium.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the Charity.

Restricted funds are funds received from The Baring Foundation that are used in the Digital Arts & Creative Ageing programme.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2018 (11 month period) £	Restricted funds 2018 (11 month period) £	Total funds 2018 £
Tangible fixed assets	54,606	-	54,606
Current assets	6,900,197	20,456	6,920,653
Creditors due within one year	(500,023)	-	(500,023)
	<u>6,454,780</u>	<u>20,456</u>	<u>6,475,236</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 (12 month period) £	Restricted funds 2017 (12 month period) £	Total funds 2017 (12 month period) £
Tangible fixed assets	80,189	-	80,189
Current assets	10,144,002	23,476	10,167,478
Creditors due within one year	(2,288,877)	-	(2,288,877)
Creditors due in more than one year	(121,172)	-	(121,172)
	<u>7,814,142</u>	<u>23,476</u>	<u>7,837,618</u>

SOCIAL TECH TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE 11 MONTH PERIOD ENDED 31 MARCH 2018

17. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(1,362,382)	1,349,321
Adjustment for:		
Depreciation charges	47,576	46,201
Increase/(decrease) in debtors	111,473	(123,437)
(Decrease)/increase in creditors	(1,910,026)	845,142
Net cash (used in)/provided by operating activities	(3,113,359)	2,117,227

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	6,883,372	10,018,724
Total	6,883,372	10,018,724

19. PENSION COMMITMENTS

Social Tech Trust operates a group personal pension which is a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £63,410 (2017: £61,539). No amounts were outstanding at the period end (2017: £Nil).

20. RELATED PARTY TRANSACTIONS

During the period ended 31 March 2018, £50,413 (2017: £75,600) was recharged by Nominet UK for rent, use of computer and phone facilities, financial management and other services. In addition, a donation in kind of £18,900 was given to the charity through donated services. There are no outstanding amounts payable at the period end (2017: £Nil).

21. POST BALANCE SHEET EVENTS

On 9 May 2018 the charity's name was changed from Nominet Charitable Foundation to Social Tech Trust.