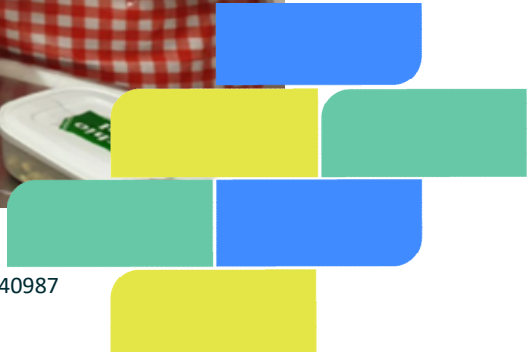




Backing
community
business

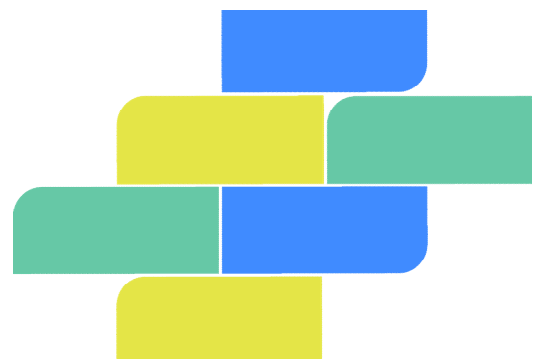
Annual Report and Accounts

For the year ended 31 December 2024

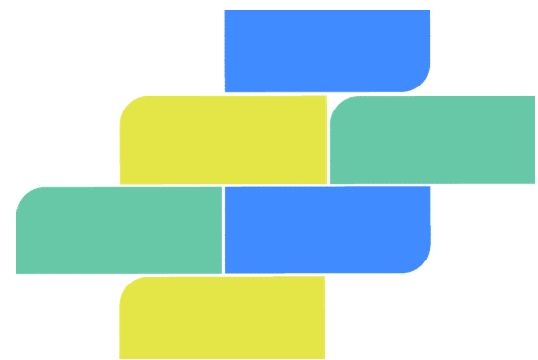


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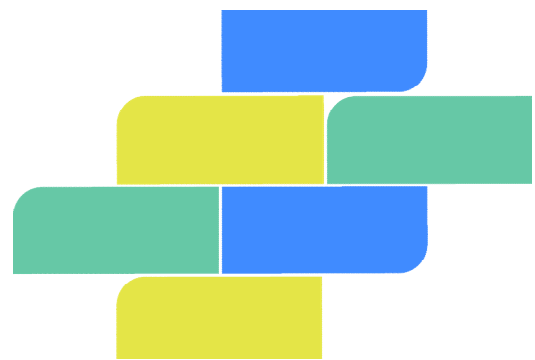
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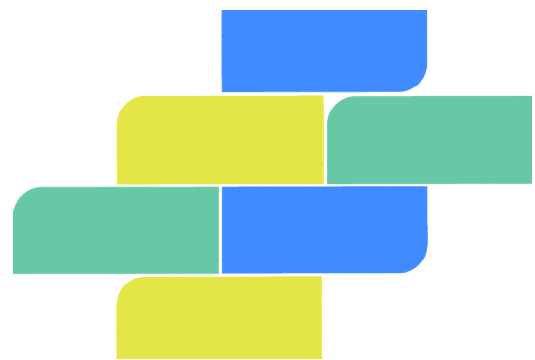
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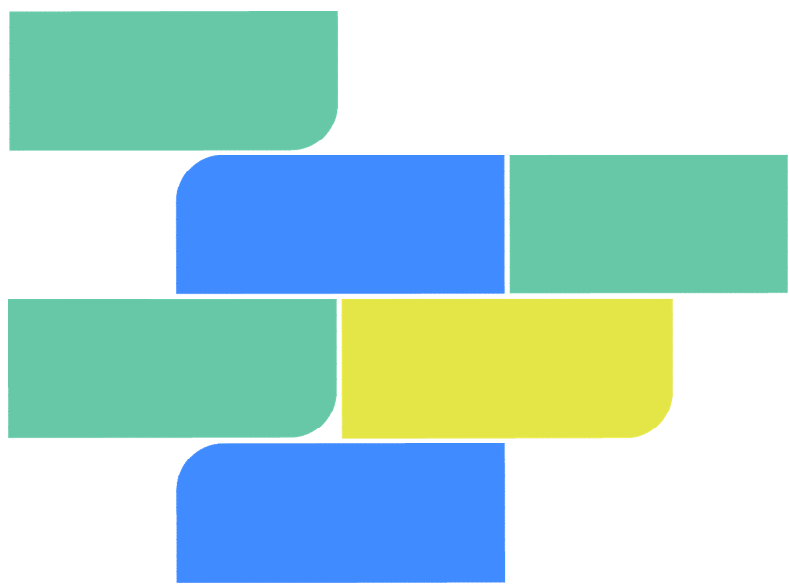


About Power to Change

Power to Change is the think-do tank that backs community business.

We back community business from the ground up. We turn bold ideas into action so communities have the power to change what matters to them. We know community business works to build stronger communities and better places to live. We've seen people create resilient and prosperous local economies when power is in community hands. We also know the barriers that stand in the way of their success.

We're using our experience to bring partners together to do, test and learn what works. We're shaping the conditions for community business to thrive.



Message from our Chair Tony Burton CBE



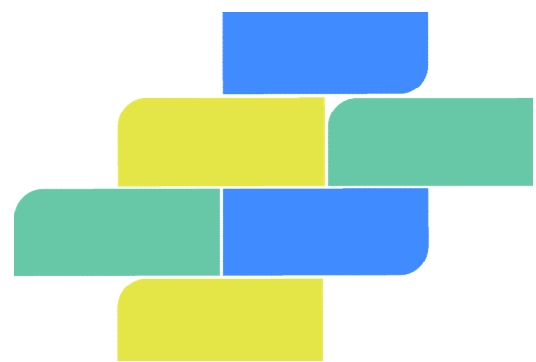
From my vantage point as Chair, 2024 was the year when Power to Change moved from being an organisation funding the collective evolution of community businesses, to one that champions and amplifies their needs.

Our role is to demonstrate the centrality of community business to many of the nation's current and future challenges –from economic stagnation and climate change to widening health inequalities and the role of technology and AI in bringing communities together. Our role as the think-do tank for community business isn't about sectoral lobbying or quick fixes. It's about fundamentally reshaping the systems community businesses operate in, at national, regional and hyper-local levels. We are embedding our work alongside community businesses and using our understanding of the biggest challenges they face to reshape the forces that impact them.

The prize of thriving community businesses is one that benefits everyone. In an ever-more volatile world, where old paradigms are dying and new ones are being forged at pace, community business is growing in importance. They provide economic resilience and stability in communities where this can feel hard to come by. At the same time they deliver social and environmental benefits not as a byproduct tacked on to traditional forms of business, but through business models which work across the environmental, social and economic pillars of sustainable development.

While we know that the work community business does is exceptional, we also know that it's common sense. The future of business is a vast increase in community business. If you're a motivated citizen wanting to change your neighbourhood, community business is a ready-made solution. If you're a Mayor, political leader or helping to run a newly established combined authority, community businesses will be vital in helping you deliver your vision of inclusive growth. If you're a patient investor looking for your money to both do good and generate returns then community businesses are ready and waiting.

I'm proud to be at the heart of an organisation with this ambition for community business and for the country. The thousands of community businesses working hard across the country all deserve both our thanks and support. My thanks too to the Power to Change team, trustees and staff, who have made 2024 such a memorable year in repurposing our work to make a continuing real world impact in 2024 and into the future.



Message from our Chief Executive Tim Davies-Pugh



2024 was a pivotal year for the country and Power to Change. We witnessed a significant shift in government, with the Labour Party securing power after a 14-year hiatus. New metro mayors were elected across the nation, and inflation rates began to decline from their peak at the start of 2023. However, wars abroad continued to rage, impacting communities in various ways.

In parallel to these national developments, Power to Change underwent its own transformative journey. We embraced new working practices, expanded our thinking on supporting community businesses, and transitioned to become a think-do tank. A refreshed brand aligned our visual identity with these evolving approaches.

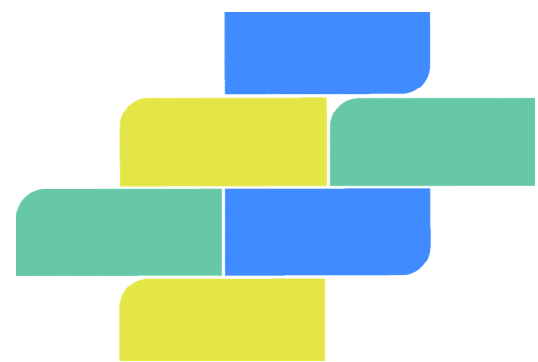
Furthermore, we strengthened our governance by welcoming three exceptional individuals from diverse backgrounds to our Board. Claire Spencer, Daniel Hill, and Fin Irwin have brought boundless energy and innovative ideas to the organisation, and we are thrilled to have them on board.

2024 marked the commencement of our articulation of the transformative change we envision for the future. With the right conditions, community businesses can play a pivotal role in contributing to an economy that benefits people and the planet. They can empower communities to have greater influence in decision-making processes that affect them and foster meaningful connections within their communities. Our mission now is to create the enabling environment for community businesses to thrive and realise this vision.

To achieve this, we initiated crucial work to articulate the unique economic contribution of community businesses. This contribution can be measured in both tangible national growth terms and local supply chains, savings to the public purse, and a generative rather than extractive form of economic activity. In essence, it encompasses the business and the community that community businesses represent.

All this important work was undertaken with an eye on 2025, our 10th anniversary. This pivotal moment in our journey provides us with further scope to look to the future and envision the state of our communities in another decade. It also inspires us to delve deeper into our definition of community business.

While this year has undoubtedly been marked by transition, change, and a focus on the future, it has also been a year of remarkable achievements across the organisation. New demonstrator projects exploring community-led high street transformation have been launched. Influential policy



research has been published, covering a range of topics from department stores to community cohesion. Significant partnerships with combined authorities, such as in the West Midlands, have delivered tangible change for community businesses. Policy change has been secured in manifestos.

It's been a busy year, filled with many reasons to celebrate, but there's still much more to be done. I'm thrilled about all this, and most importantly, about collaborating with community businesses.

A year of evolution

This year Power to Change has continued its work to back community businesses throughout England, both as a funder and as we have progressed our think-do tank approach.

We have focused our efforts throughout the year to support our vision which remains consistent with previous years.

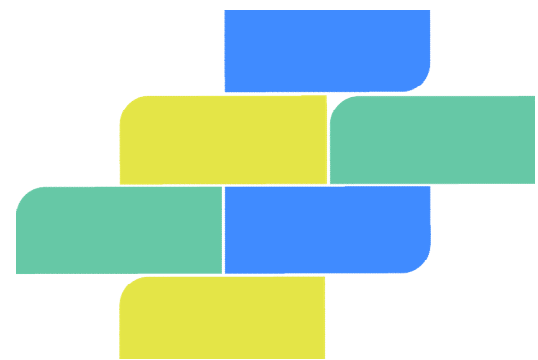
Our vision

More communities in England run businesses that give them power to change what matters to them. They create more resilient places that are better to live and work in for everyone.

In 2024, we renewed our purpose and ambitions to more closely align to our think-do approach and we have continued to evolve our activities to support these ambitions.

Our purpose

Our purpose, the reason Power to Change exists, is to shape the conditions for community business to thrive.



Our ambitions

Communities fully utilise their power

Through community business, communities have a greater say in the decisions that affect them.

Communities contribute to an economy that works for people and planet

Through community business, communities balance enterprise and purpose to build prosperous local economies.

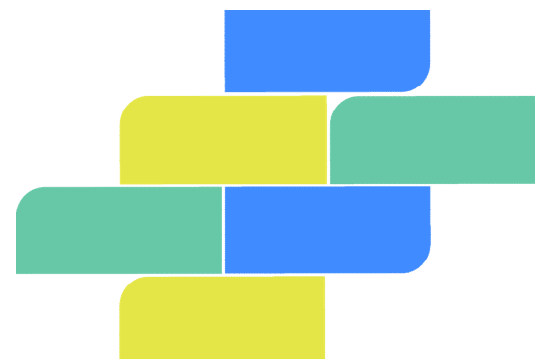
Communities achieve their aspirations and are resilient in the face of challenges

Through community business, communities make meaningful connections and build their social capital.

Repositioning and rebranding

Power to Change was originally set up in 2015 with a spend down endowment trust from The National Lottery Community Fund, operating largely as a funder which backed community business through grant funding.

In making the decision to transition to a think-do tank, we felt it was important to communicate clearly to our key stakeholders about the evolution of Power to Change.



One of the steps we took in 2024 to support our evolution was to refresh our brand and external positioning, informed by a period of inclusive engagement with trustee directors, staff, partners, and most importantly, community businesses.

We undertook a specific piece of work to test the understanding and brand recognition associated with our name and developed refreshed messaging and narratives that better reflected our new role as a think-do tank that backs community business.

In August 2024 we launched a new website to communicate the changes to our network of community businesses, partners, and collaborators. Throughout 2024 we had 47,000 visits to our website, with 28,799 followers across our social media channels and 9,445 newsletter subscribers.

To accompany these changes we reorganised our internal structure to better reflect our new direction of travel. Our teams now bring together expertise in policy and insight, practice and innovation, and operational support.

Grounded in community business

As we have evolved Power to Change we have made a commitment to remain grounded in community business. To ensure we achieve this we keep community businesses at the heart of all we do. We aim to nurture open, trusting and reciprocal relationships with a diverse range of community businesses and we include community businesses in our decision-making and governance.

In 2024 we commissioned an independent review of our practice to help audit our existing activity and inform our further action. This indicated a range of existing action including involving community businesses in the design of activities, when formulating policy proposals, and in our governance structures. It also noted that we procure directly from community businesses (e.g. venues, catering, support services) and remunerate community businesses for their time when they are working alongside us. The report was submitted in December 2024 so we will be continuing to work throughout 2025 and beyond to consider and action additional activity to ensure we remain grounded in community business.

Alongside staying directly connected to community business ourselves, we recognise the value of connecting community businesses to each other. For example, in 2024 we agreed to support the Mycelial Network (grant funding £150k over 3 years) to enable them to bring together a network of emerging and maturing community businesses driving neighbourhood transformation, often by acquiring and activating assets as Community Asset Developers (CADs).



Equity in our activity and impact

We seek to advance diversity, equity and inclusion throughout everything we do, from recruitment of our staff through to our grant making practices.

We take an equity based approach to our work as we know that not every community starts with the same resources and opportunities.

Looking at our funding support to community businesses in 2024, 60% of community businesses are based in the 30% most deprived areas (IMD 1-3). This represents an increase on the previous year (2023: 49%).

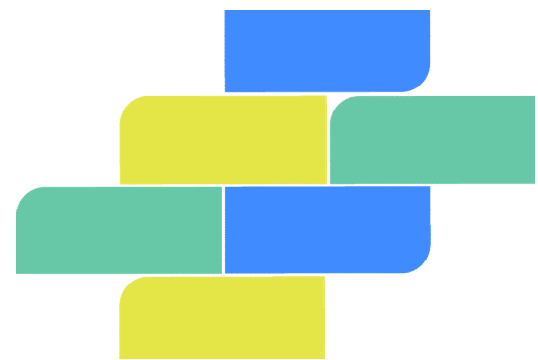
Our activity and impact

We have worked throughout the year to shape the conditions for community business to thrive. This has been achieved through our funding, through our practical demonstrator initiatives, and through our policy and influencing activity.

As we have shaped our focus throughout 2024, we have concentrated our activity on three thematic areas:

- Building community power
- Financing the future economy
- Taking back the high street

We provide below an overview of our key activity and impact in each of these, as well as updating on other significant areas of action throughout the year.

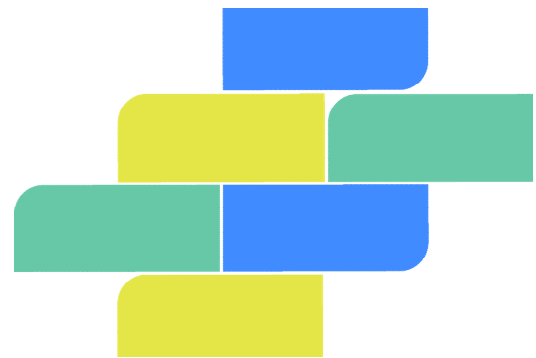


£645k in direct grant funding distributed to community businesses in 2024

97 community businesses directly supported in 2024



Collaborative funding partnerships in place with 3 combined authorities in 2024



Building community power

We believe communities should have the power to change what matters to them in their local area. Our work on building community power has achieved a number of positive outcomes in 2024 including influencing the developing UK devolution landscape and laying the groundwork for the English Devolution Bill.

We're Right Here

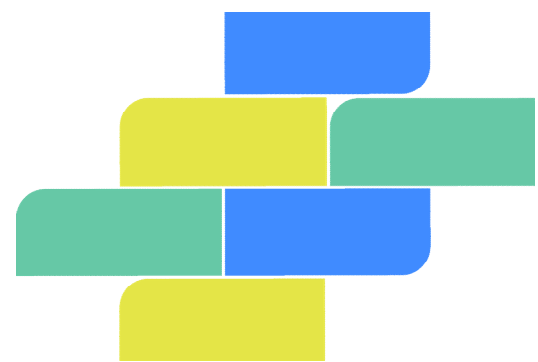
We have continued to back [We're Right Here](#) throughout 2024, putting community business leaders at the front of a campaign to achieve significant changes on community power. We have provided core funding to the campaign and been active participants in it. We worked alongside the community business leaders in the campaign team to engage key MPs as well as write policy briefings and campaign materials. We also contributed resource and expertise to the communications planning and implementation. The campaign has seen huge success during 2024, with the Labour Party picking up its core ask for a Community Right to Buy in their general election manifesto and subsequently including this in the first King's Speech of the new Government.

Community Right to Buy

We launched [Getting it right: Introducing and implementing a Community Right to Buy](#) in September. It aims to influence the direction of the English Devolution Bill and the implementation of the Community Right to Buy. It attracted keen interest among community business leaders, partners, and local and regional government to engage on the implementation of a Community Right to Buy, and this work has formed the basis of our ongoing advocacy to government to ensure the recommendations of the paper are adopted in the English Devolution Bill. In addition to the Community Right to Buy, we have expanded this work to also inform the Government's thinking on the community right to shape public services and community covenants.

Devolution to the neighbourhood level

In August 2024 we published [What powers where? Achieving the 'devolution revolution'](#) with think tank, Reform. The report sets out design principles for local systems and recommendations for whole regional systems to work together and distribute powers at every scale. It also sets out the notional distribution of powers for a much more devolved system. It builds on earlier work where Power to Change has consistently argued that devolution to the neighbourhood level is crucially important for communities to be empowered and feel the difference in their local areas.



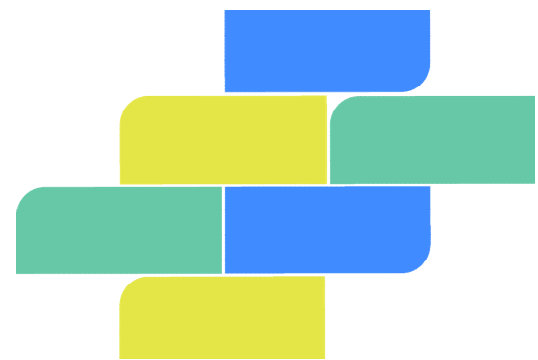
Community covenants

Community covenants are neighbourhood-level arrangements that bring communities, community businesses and public sector partners together to share power and decision-making. In autumn 2024, we hosted a community covenants webinar to share the idea and explore interest in testing it in practice, with a range of community businesses and public sector partners being involved in the discussion. Following this, we have supported our first test and learn partnership, a community covenant led by community business leader (Charlotte Hollins of [Fordhall Farm](#)) in rural Shropshire. It works with a range of local partners, including the local town council, county council, and VCSE organisations. We hope to work alongside more community covenant partners in 2025.

Fixing the Foundations

In November, we published [Fixing the Foundations: A communities strategy for Britain](#). The paper explored community cohesion, empowerment and growth in response to the riots which took place across the UK during the summer. Putting forward a series of recommendations as it shapes its communities strategy, our work called for the Government to:

- invest in community cohesion, with new and improved funding to support community ownership of places and spaces where people can connect and meet;
- empower communities, giving more control to local people over certain state spending decisions in their area;
- and support community-led growth, creating a new institution or an arms-length body to support community-led institutions' contribution to local growth.



Case study: Sherford Community Land Trust

Sherford Community Land Trust (CLT) was established as part of an agreement between the local planning authority and the builders to reduce the impact of development on communities (known as a section 106 agreement).

The pioneering development is part of a new town on the outskirts of Plymouth. Building work started in 2015 and the first phase has seen approximately 1,000 residents move into the new town. By the time it is completed, around 15,000 people will call Sherford home.

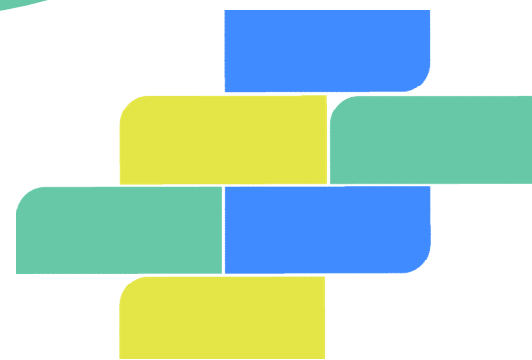
The initial s106 agreement, which was drafted at the outset of the development, included a mechanism whereby each household pays a £40 annual stipend to support the work of the Community Land Trust. Where most CLTs are about creating housing, this is focused on empowering communities to design and run their shared facilities.



The Trust now runs the community hub, the new town's first community asset, where they have toddler classes, a midwife unit and office space.

There are lots more community assets which are yet to be built – a multi-use town hall, health centre, children's centre, recycling centre, high street units and so on – and the CLT is involved in the conversations to design what this is and the role they could play going forward.

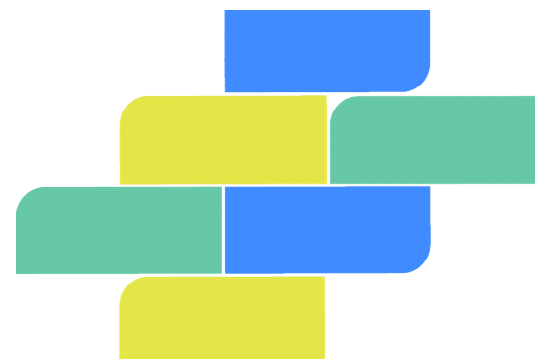
The CLT is currently powered by one paid member of staff, Judy, and around 30 volunteers. It's early days but over the coming years Sherford CLT hopes to employ more staff, take on more assets, get more residents involved, and nurture a well thought-out and properly resourced cohesive community in the new town.





“It’s unusual that embedding community power forms part of these agreements...it mostly relates to things like creating green space and building schools – which has happened here – but someone in the council added in the requirement to set up a CLT. We need to thank whoever that was and encourage more councils to include this in their section 106 agreements.”

- Ed Whitelaw, Real Ideas Organisation (who supported the CLT to get up and running)



Financing the future economy

Our work on financing the future economy is about making visible the contribution community businesses make to supporting a fairer economy that works for people and planet as well as ensuring community businesses have the affordable, flexible and accessible finance they need to thrive. This year, we have sought to achieve change through practical initiatives, research, and influencing decision-makers to grow the social economy and shape finance that works for everyone.

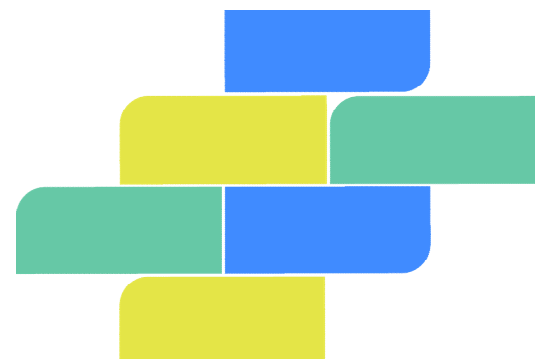
Financing the future economy research

In May 2024, we published our research report on [Financing the future economy: How community businesses can access the right finance to achieve their ambitions](#). This report drew on what Power to Change had learned from funding, supporting and advocating for community business since 2015. It addresses the challenges community businesses face in accessing the right types of finance, at the right time, to sustain and grow their businesses. It highlighted the range and complexity of the sources of finance used by community businesses to start up, grow and sustain their businesses, and the relative challenges and opportunities that these present. It also situated access to finance within the wider policy context and provided recommendations on how funders, investors and government at all levels can unlock finance for this vital sector to create a fairer and more sustainable economy.

Growing and investing in regional social economies

Power to Change has continued its impactful regional partnerships with Combined Authorities in the West Midlands, Liverpool City Region, and the North East of England. Our work aims to embed growth of community business as a priority within regional economic development plans, improve access to appropriate finance for community business and support the community business sector at a regional scale. During 2024, key highlights of this work include:

- The launch of a [pilot Flexible Social Finance fund](#) in the North East Combined Authority area, combined with on-the-ground work to build the community business pipeline for the fund, delivered by our jointly funded post at the Combined Authority. The first phase of the fund was launched in September 2024 with £1.5m, delivered in partnership with Big Issue Invest.
- The agreement of a further two-year partnership with the West Midlands Combined Authority, to continue a jointly funded post to grow the social economy ecosystem in the region and to co-fund two community business clusters within the region's social economy clusters programme. We actively participated in their Social Economy Drive in November



2024, raising the profile of the sector and championing community businesses, including at events attended by the new Mayor.

- We continued to support Kindred, providing repayable, interest-free money to community businesses and other socially trading organisations in the Liverpool City Region. We have also invested in development work on a new Social Investment Pathfinder, which aims to bring more capital into Kindred and the community business sector in the region.

Trade Up and Trading for Good

We have continued to invest in innovative forms of finance for community business, partnering with the Dulverton Trust and the School for Social Entrepreneurs to deliver matched trading finance under the final round of the Community Business Trade Up programme. This financial support is coupled with a learning programme designed to develop trading income streams and build a resilient community business, delivered by the School for Social Entrepreneurs.

The follow-on programme to this, [Trading for Good](#), launched for applications this year in partnership with the Dulverton Trust, The National Lottery Community Fund, and the School for Social Entrepreneurs. The programme received 150 applications, with 57 awarded a place on the first year of the Trading for Good programme, showing strong demand for this kind of funding.

Community Shares Booster

We have continued to work with Cooperatives UK to offer the [Community Shares Booster programme](#) and to raise the profile of community shares and grow the market. The Booster Fund supports new and existing community businesses in England that are at all stages of a community share issue, offering both development grants and equity match investment. The Booster programme made 10 equity awards, 12 grant awards and 15 pre-grant awards in 2024.

Influencing access to finance

All of our work under this thematic area of work has sought to influence the nature of finance available to community businesses. This year, we have sought to influence the policy landscape and the role that community business can play, including calls to support and expand the Government-backed Community Ownership Fund. We have also begun work to explore how to unlock long-term, institutional investment at a community business level.



Spotlight: West Midlands Combined Authority Partnership

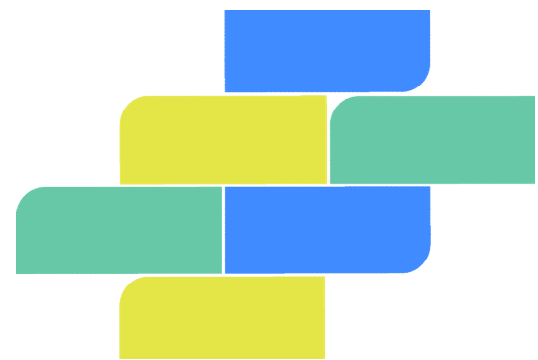
Power to Change has been working in partnership with the West Midlands Combined Authority (WMCA) for the last couple of years with the goal to double the social economy in 10 years. This includes co-funding a Social Economy Growth Lead, Charles Rapson — a new way of working with the combined authorities. This approach is already having an impact in facilitating a strong and reciprocal partnership between our organisations.

In 2024 we co-funded a range of activities including the Social Economy Drive, a week-long series of events designed to celebrate, promote and connect those organisations that are working to address social or environmental issues whilst also making a contribution to the local economy.



This year we sponsored and participated in a full programme of events from 18-22 November through our partnership with the WMCA. This included our Deputy Chief Executive contributing to a panel discussion, Understanding the Social Economy in the West Midlands, at the opening breakfast event for the Social Economy Drive.

We concluded our involvement with the Social Economy Awards Gala Dinner, where our trustee Léonie Austin presented the Award for Community Business or Cooperative of the Year to the winners [CitySave Credit Union](#).



Taking back the high street

We want communities to have the power to create vibrant and resilient high streets that work for them. But to do so, local people must have a seat at the table. They need the opportunities and resources to take ownership of the spaces and places that matter to them. This year, our work focused on building the evidence base and finding innovative demonstrators of community-led practice on the high street as a basis for reimagining what is possible and laying a foundation for future advocacy.

Department stories

In December we published [Department stories: How communities are reimagining a national institution](#). This research, undertaken by Power to Change, published in December 2024, reveals how communities across the country are developing their own solutions to the decline of department stores, tackling both high street vacancy and the loss of these important social spaces. It showed how they are part of a wider movement of communities taking back their high streets, bringing new life to old buildings to strengthen their communities and keeping money circulating in their local economies.

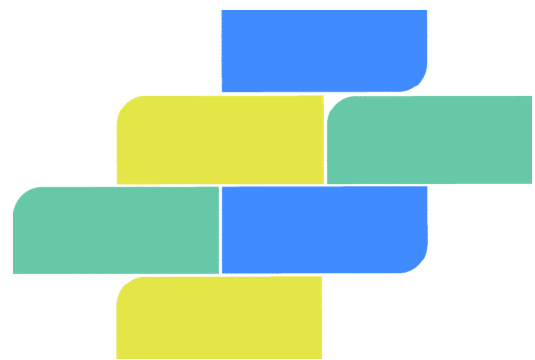
Through case studies and interviews with four community businesses managing department stores and town centre shopping spaces, supplemented by insights from other high street stakeholders, the report explored the opportunities of community reuse of department stores, as well as the challenges entailed in running them for broad community benefit.

The report also called on government to adopt policies to make community ownership on the high street more accessible, including creating a Civic High Streets Accelerator, channelling more local growth and regeneration funding towards community-led high streets initiatives, and more policies to support community ownership on the high street.

Giving evidence on our high streets work

We have taken the opportunity to give evidence on the findings and recommendations of our high streets work during the year.

In March 2024 we gave oral evidence to the Built Environment Committee inquiry on high streets in towns and small cities. We also provided supplementary written evidence, which was cited in the Committee's report [High streets: Life beyond retail?](#) (November 2024). In particular, the report explores our practice on Community Improvement Districts and makes a recommendation that BIDs should be expanded to include community voices.

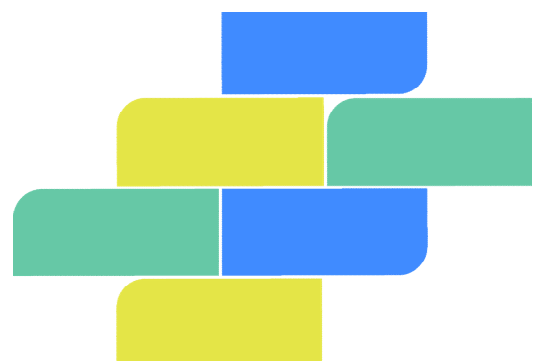


Later in the year we visited City Hall to give evidence to the London Assembly Economy, Culture and Skills Committee's high streets inquiry, alongside other placemaking experts. There was strong consensus among the panel on the need for high streets to become civic spaces once again.

Community-led High Street Innovators

This year we launched [Community-led High Street Innovators](#), a call for collaboration from community businesses working in innovative ways to renew their local high streets and town centres. As part of our new think-do approach, we were interested in shaping a demonstrator which would allow us to work alongside community businesses and other local stakeholders who are working to either enable communities to take space on the high street or town centre (e.g. through meanwhile use, lease or community ownership) or who are enabling communities to have a greater say in the governance of their high street or town centre.

Each community business taking part in the demonstrator works collaboratively with Power to Change, and each other, over 12-month period. They also receive between £25,000 and £50,000 in funding to support their engagement and activity. The call closed in December 2024, attracting over 100 expressions of interest. This work is continuing into, and throughout, 2025.



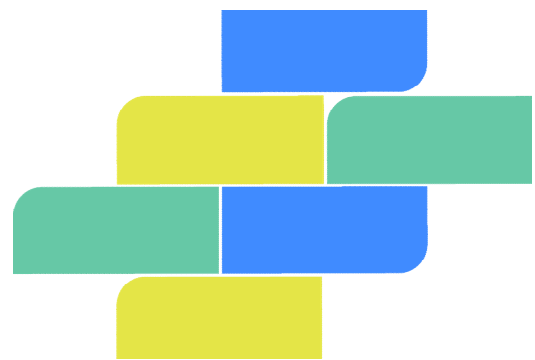
Case study: Haven Community Hub

Westcliff-on-Sea is a suburb of the popular seaside city of Southend-on-Sea. Westcliff is undergoing an exciting transformation, emerging as a thriving hub for businesses and a vibrant destination for the Southend community. Central to this is the community-led revival of a historic department store.

Once known as the Bond Street of Essex, the main shopping area of Westcliff-on-Sea is Hamlet Court Road. The much-loved department store Havens, selling homewares, housewares, gifts, perfumes, cutlery and glassware, established a home here for almost 100 years. But Westcliff declined during the economic recessions of the 1970s and 1980s. When Havens closed in 2018, it was the only independent department store remaining in Southend – an all too familiar story for many of the UK’s changing high streets. But Mike Nicholson from local charity Age Concern Southend was determined to make sure this Grade II listed building did not remain empty. Mike said: “We had this idea of creating a one-stop hub, housing all of the facilities and services needed by local older people, their families and the whole community. “Nigel and Paul Havens, the owners of Havens, who we have a very good ongoing supportive relationship with, told us they were planning to close because they were earning more from the internet business than the store. Havens wanted to do something good for the community, so that’s how Haven Community Hub was born.”

The Hub experienced delays with obtaining planning consent to convert the listed building for community use but eventually opened in 2019, rented to the charity from the Havens family on a 20-year lease. Serving the community through a diverse offer The Hub is open to all ages and offers a huge range of activities, including free counselling for older people, choirs, coffee and conversation sessions, tai chi, therapy treatments, and even a charity shop. The Hub generates income through a range of services, including a dementia day care centre which is open five days a week. The large cafe is rented out to a local business and offers affordable meals for the community. Council services are also hosted in the building, including additional practical and emotional support as well as signposting for people living with dementia and their carers.

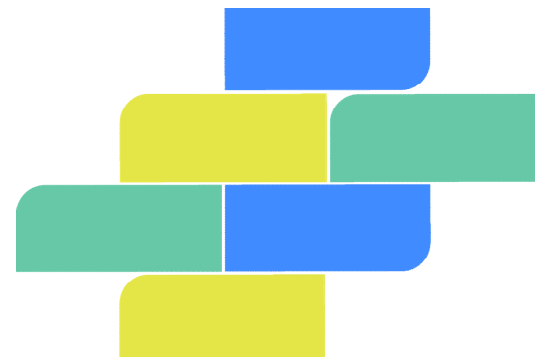
With around 3,600 people visiting the former department store each month, the rest of Hamlet Court Road has benefited from increased footfall.





“Westcliff is following other parts of Southend, it’s really changing. We believe the Hub is pivotal to this happening and that it has already made a huge impact to the area. A lot of people have said that while they’re at the Hub, they visit other shops, cafes, restaurants and pubs along Hamlet Court Road. There used to be quite a lot of empty shops here when the area started declining. There are now very few, if any.”

- Mike Nicholson, Haven Community Hub Age Concern Southend



Additional areas of activity

Beyond the thematic areas of work outlined above we have undertaken a number of additional initiatives throughout the year.

Community energy

We have continued to support a range of initiatives on community-led energy building on our earlier support through the CORE partnership to facilitate five community businesses to take ownership of eight solar farms in England and Wales. Together they have a collective capacity of 36MWp and, as a result of the transfer of community energy assets, see 20% more solar capacity in the hands of local communities. The solar farms have been transferred to the CORE groups via a portfolio-based multi-stage refinancing process. This year we provided grant funding of £85,000 to Community Energy Together to develop a new financial model to inform their work which will be finalised in 2025.

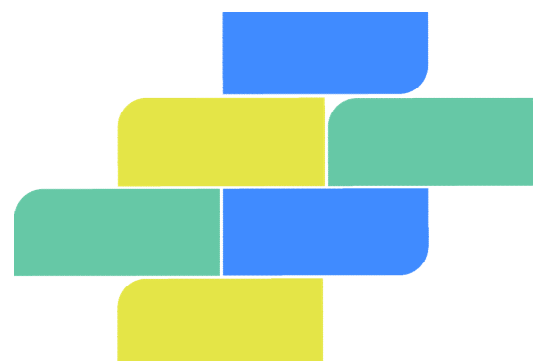
The Energy Resilience Fund offers blended finance to enable community business to retrofit energy generating or saving technology on community owned or managed buildings. Power to Change awarded £1m to the initiative contributing to a total fund of £5m, developed and delivered by Key Fund in partnership with Better Society Capital and Access Foundation. Our investment in the Energy Resilience Fund began disbursing funding this year and the goal is to demonstrate new ways of financing community business energy resilience projects.

We have drawn on the learning from our practical initiatives to inform the development of Labour's new Local Power Plan which will see substantial funding being made available for community energy. We have also developed a research partnership with Common Wealth, Locality and Ashden to further shape the Local Power Plan so that it works for communities and community business.

Social infrastructure

Power to Change has been making the case for investment in the social fabric of places, in what is called social infrastructure, for a number of years with our previous work with the British Academy, the Bennett Institute and the Institute for Community studies.

This year we undertook additional research in collaboration with the Bennett Institute looking at the role of the private sector and social infrastructure. The report, [*Private Space, Public Good*](#), explores how partnership with the private sector can unlock access to underutilised and vacant spaces – often in desirable locations like the high street – with this often being financially mutually beneficial. However, the report found for these partnerships to succeed, communities need to be able to access spaces on terms that work for them. Sometimes this may be social value or



peppercorn rent, or long term leases that enable a genuine sense of local ownership and control of a space.

Community tech

This year we completed our grant funding and support on Community Tech. Power To Change's Discovery Fund sought to help community businesses develop ideas, digital skills and exploration of community owned technologies, with the fund running from October 2023 - April 2024. 20 grantees received money, support with open working from Third Sector Lab and a free place on a digital design programme run by CAST.

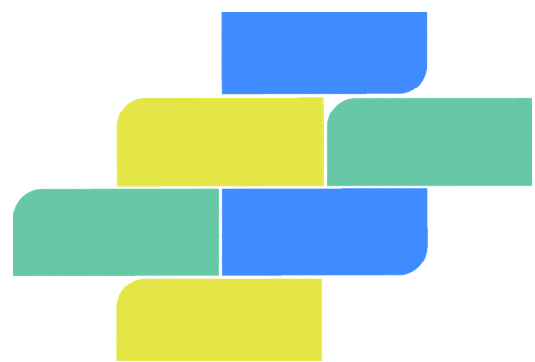
Launched in October 2022, the Power to Change Makers & Maintainers Fund was designed to support community businesses in sustaining and strengthening community tech. The two-year programme provided £40,000 in funding to 10 organisations, enabling them to maintain, develop, and adapt existing community technologies. We also worked with Promising Trouble to organise an event for the Makers and Maintainers cohort, ensuring they have the support they need and shared learning and reflections about the impact of the programme through a 'most significant change' workshop.

Building capacity through Powering Up

Power to Change launched Powering Up in November 2021, a programme offering targeted support to community businesses and their teams to enable them to navigate challenges strengthen their capacity over a 12-month period. The programme ended in summer 2024.

Over the lifetime of the Powering Up programme:

- 69 community businesses were supported
- 249 tailored support packages were provided
- 169 providers were brought in to deliver the support packages
- £570,200 was awarded as flexible grants
- £605,800 was awarded in technical support
- £204,000 was awarded as professional development and wellbeing support



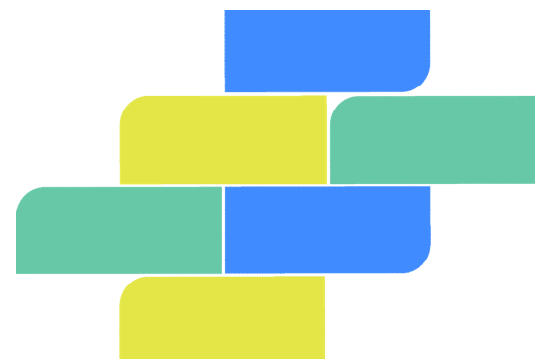
- 5 Community Business Connectors, 3 Digital Leads, 4 Climate Leads and 4 Digital Advisors worked closely with the community businesses

By providing access to specific technical expertise, professional development opportunities, and wellbeing support, the programme aimed to equip community businesses with the tools and resources needed to not only survive but thrive.

Each support package was tailored to address the unique circumstances and needs of each community business, ensuring that they received the most relevant and impactful assistance in order to meet their own individual objectives. The programme offered specialist support around two themes – digital transformation and climate action and sustainability.

“In conclusion, the Powering Up programme represents a pioneering approach to supporting community businesses, marked by emphasis on devolving power and tailoring support to meet the diverse needs of participating organisations. Through a unique funding model and collaborative decision-making processes, the programme has demonstrated its ability to drive tangible improvements in community businesses’ operations, digital proficiency, and leadership capacity.”

- Renaisi Evaluation Report, August 2024



Spotlight: Power to Change at the Party Conferences

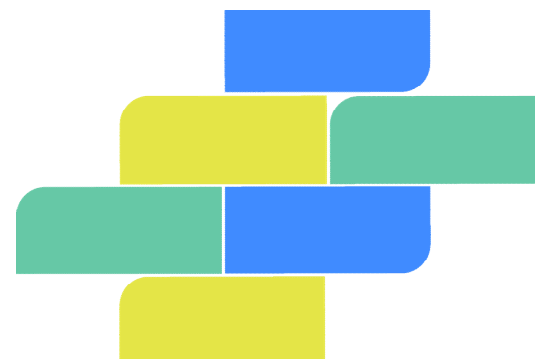
During September and October 2024, we attended the political party conferences to meet with our political stakeholders, including new MPs, and make the case for community business.

We also distributed our refreshed manifesto, Roots of Renewal, with policy recommendations on how the new Government can help shape the conditions for community business to thrive:

- to build community power, the Government should introduce new community rights through the English Devolution Bill.
- to enable communities to take back their high streets, the Government should extend, expand and improve funding for community ownership.
- to finance the future economy, the Government should establish a Community Growth Network.



At Liberal Democrat party conference, we met new MPs who, with experience in the charity sector, civil society and social enterprise, have the potential to be valuable allies to community business in Parliament. At Conservative party conference we listened to the priorities of the candidates for new party leader, considering where there was backing and potential support for community business. At Labour party conference, we heard renewed pledges from MHCLG (Ministry of Housing, Communities and Local Government) ministers Jim McMahon and Alex Norris to empower communities, support community ownership and enable them to play a greater role in building local growth. Alex Norris and the Small Business Minister Gareth Thomas also met community businesses at our event at Baltic Creative.



Financial review and reserves policy

Power to Change supports community businesses using an expendable endowment provided by The National Lottery Community Fund, income generated from this endowment, and additional restricted and unrestricted income.

Expenditure

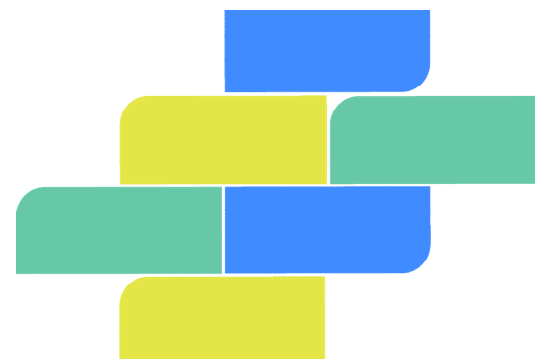
Total expenditure in 2024 was £4.68m (2023: £9.04m), in line with our projected expenses for the year but at a lower level of spend than previous years due to Power to Change developing and refining our strategy and business model.

Our 2024 expenditure was entirely in relation to charitable activities with no fundraising element in this year. 63% of our charitable spending (£2.91m) was on existing programmes and the amount of spend related to closing programmes was 37% (£1.74m). This was similar in amount and higher in percentage terms to our previous year's activity (2023: £1.99m or 22%) as we continued the closure of programmes as part of our organisational transition to a think-do approach.

Note 3 to the accounts shows a detailed analysis of our expenditure. The total value of grants awarded decreased by 39% from £2.40m in 2023 to £0.92m in 2024. This is primarily due to fewer new programmes in 2024 as well as some grant programmes not awarding new grants. Note 6 to the accounts provides detail of grant expenditure by programme in each year. Support to the sector also reduced in absolute value but similar when viewed as a percentage of total expenses (from 10% in 2023 to 12% in 2024), demonstrating the support we provide to the community business sector.

Direct staff costs reduced in 2024 (from £1.68m to £1.07m) as we decreased our staff numbers in line with our new organisational approach while programme delivery costs decreased by 31% (2023: 55%) over the same period (from £0.48m to £0.33m) reflecting our reduced reliance on delivery partners.

Research and evaluation direct costs decreased between 2023 and 2024 (from £0.45m to £0.23m), representing 5% (2023: 5%) of our total expenses as we continued to monitor the impact of our activities on the community business sector and share the lessons learnt.



Support costs in 2024 of £1.28m (2023: £2.47m) included support staff, rent and organisation costs, IT, legal, training, depreciation and governance. They represented 27% of total expenditure (2023: 28%).

The National Lottery Community Fund endowment funded c.38% of our expenditure in 2024, while the rest was mostly covered through restricted funds (including the £20m grant from TNLCF).

Income

Restricted funds represented 66% of our income in 2024 (2023: 94%) and included £2.06m of grant income from The National Lottery Community Fund to cover core costs, which is our final grant payment with regards to this grant. Note 2 to the accounts details our various sources of income in 2024 including the £0.51m of Subsidiary Income from PTC Renewable Energy as a result of the loan agreement put in place upon the sale of the Solar Farm assets to the Community Partners.

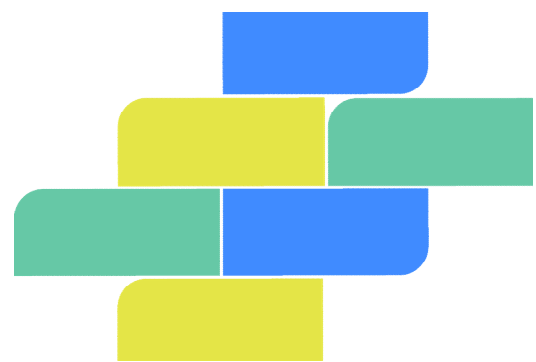
Investment policy

In 2023, the strategy review and refinement of our business model removed the time limited nature of the organisation. Our investment policy has remained unchanged since this decision which is solely cash at bank and deposits (outside of our social investment in CORE) and the Trustee Directors consider that keeping the Charity's assets in cash is the most prudent option. The objectives stated in the investment policy remain "to produce the best financial return within an acceptable level of risk and with capital preservation as a key criteria".

In 2024, investments were still held in short term cash deposits. To limit credit risk, cash deposits are managed to ensure that no more than 33% of them are held with any one financial institution. To limit liquidity risk, our investment policy states a minimum amount of budgeted programmatic and total operating expenses should be kept in cash or low risk liquid investments. This clause was modified by the Trustee Directors in February 2022 from "18 months' worth" to "12 months' worth" to reflect the declining size of the endowment fund and the fact that a significant share of our expenses is financed through a grant from The National Lottery Community Fund drawn down every quarter based on projected expenses.

Cash and deposits held at 31 December 2024 amounted to £14.92m (2022: £17.46m). Together they represent more than 12 months' worth of budgeted programmatic and total operating expenses.

In addition, the Trust made a social investment in Community Owned Renewable Energy LLP (CORE LLP), a joint venture between Power to Change and Big Society Capital. CORE LLP worked alongside



local community energy groups to support, develop and refinance solar farms with a view to maximising the benefit for these communities over the life of the investment venture. The creation of a portfolio of assets under CORE LLP was completed in 2019 and in December 2023 the assets were sold to local community groups who have formed an alliance “Community Energy Together” (CET). As part of the sale of the assets Power to Change and Big Society Capital (now Better Society Capital) provided loan finance to CET.

The investment in CORE LLP was made through the Trust’s 100% subsidiary company PTC Renewable Energy Ltd (PTCRE). The investment in PTCRE is held in the Trust at cost (£5,226k). In 2024 this represents the loan from PTCRE to CET. In addition, the loan from PTCRE to CET of £5,662k at current value is recognised as a social investment loan in debtors.

Funds

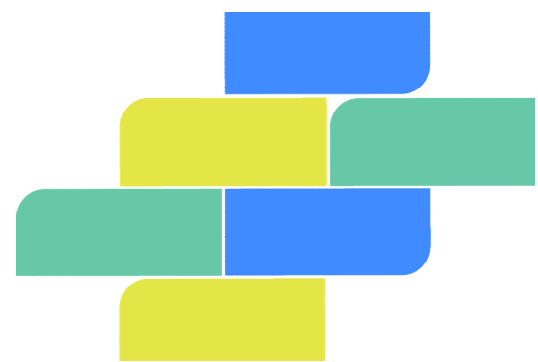
Retained funds and movements in the funds are shown in note 13 to the accounts. Income generated from the expendable endowment provided by The National Lottery Community Fund (the “Capital Fund”) is added to The National Lottery Community Income Fund (the “Income Fund”) on an ongoing basis. When required, money from the Capital Fund is also transferred to the Income Fund to meet our ongoing expenditure requirements not met through other funding.

During 2024, £0.69m was transferred from the Capital Fund (2023: £0.66m). The balance on the Capital Fund at 31 December 2024 was £19.64m (2023: £20.47m). In addition to The National Lottery Community Fund endowment which funded c.38% of our 2024 expenditure, we used restricted funds to fund most of our remaining expenditure.

Our main source of restricted funding and related expenditure in 2024 was grant funding from The National Lottery Community Fund: £2.89m was spent (2023: £6.07m) to cover core costs related to our five-year strategy (£2.06m was received in 2024 as the final part of a five-year grant of £20m).

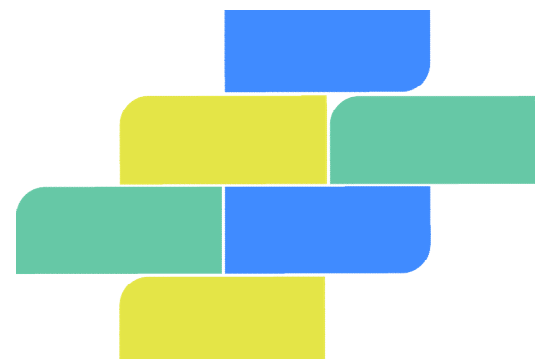
Reserves and ongoing concerns

The Trustee Directors manage our reserves in line with the reserves policy, which is reviewed annually. In line with Charity Commission guidance on expendable endowments, the reserves policy does not stipulate a specific level of endowment or unrestricted reserves that are required. The Trustee Directors reviewed in December 2024 the cash position forecast for the Trust at the end of 2025 and determined that free reserves of £13,687m was sufficient to meet the needs of the organisation. The trustees also determined that it would be to the benefit of the community business sector to use some of our reserves to support community businesses seeking to unlock long-term finance and wanted to retain provision within its reserves for this to be taken forward in



subsequent years. The reserves policy will continue to be reviewed and updated as the charity's think-do approach and new business model is developed and embedded.

The budget is reviewed annually and was last reviewed in December 2024. As such there are no material uncertainties surrounding the Trust's ability to continue as a going concern and the financial statements have been prepared on that basis.



Structure, governance and management

Legal structure

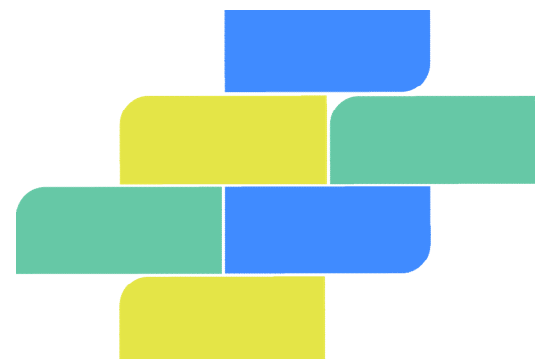
Power to Change Trust (the “Trust” or the “Charity”) is a charitable trust registered in England and Wales (Charity Commission registration number 1159982) and is constituted under a revised Trust Deed dated 28 September 2016. The Trust came into existence on 21 January 2015 upon receipt of a £149,204,000 endowment from The National Lottery Community Fund (formerly the Big Lottery Fund). Power to Change Trustee Limited is the sole corporate Trustee. It is a private company (company number 8940987 – England and Wales) limited by guarantee and incorporated on 17 March 2014.

Power to Change has one subsidiary company: PTC Renewable Energy Ltd. The Trustee Directors approve the appointment of directors of PTC Renewable Energy Ltd. PTC Renewable Energy Ltd owns 50% of Community Owned Renewable Energy LLP (CORE LLP, company number OC418078), which is a joint venture with Better Society Capital that brings existing solar farms into community ownership to deliver lasting community benefits. At the end of 2023, CORE LLP successfully transferred 36mw of solar farms into community ownership and CORE LLP will be wound up in 2025.

Charitable objects

The charitable objects of the Power to Change are set out in the Trust Deed and include the following (which do not limit the Trust’s overriding general charitable object):

- relief of poverty and unemployment
- advancement of education
- promotion of the voluntary sector
- advancement of citizenship or community development
- promotion of sustainable development
- development of the capacity and skills of disadvantaged groups in society



- urban and rural regeneration in areas of social and economic deprivation
- promotion of social and economic inclusion

Funding is only granted where a charitable purpose can be identified.

Public benefit

Power to Change backs community businesses so that communities have the power to change what matters to them, creating more resilient places that are better to live and work in for everyone.

The Trustee Directors have referred to the public benefit requirement and sought to outline throughout the sections of the annual report details of the charity's purposes and objectives and the significant activities undertaken by the charity to carry out its charitable purposes for the public benefit.

The Trustee Directors confirm they have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and that they have had due regard to the Commission's guidance when exercising any powers or duties to which the guidance is relevant.

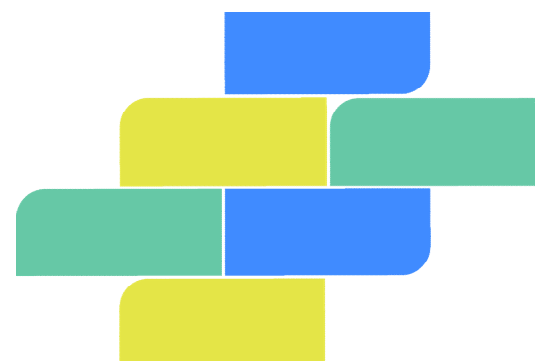
Governance

Trustee Directors

Board members are directors of Power to Change Trustee Limited and are referred to as Trustee Directors throughout this report. The Trustee Directors are listed below.

New Trustee Directors are sought by open advertisement and undergo a rigorous interview process. The ultimate decision on selection is a matter for the Trustee Directors already in post. A strategic, operational and governance induction programme is in place.

All Trustee Directors are given current information on the legal duties and expectations of being a Trustee Director and are invited, on an ongoing basis, to attend relevant training events paid for by the Charity. Trustee Directors are also invited to attend key internal meetings, and sector events hosted and/or sponsored by the Charity.

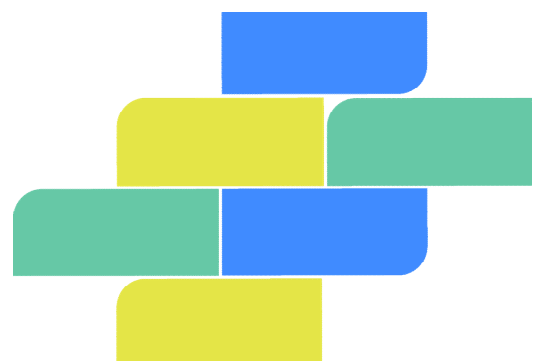


New Trustee Directors are initially appointed to serve for a three-year term after which they will be eligible for reappointment. The Articles of Power to Change Trustee Limited provide for a minimum of five Trustee Directors and up to a maximum of thirteen. The Trustee Directors agree the broad strategy and areas of activity for the Charity including consideration of grant making, investment, reserves and risk management policies and performance. The programmatic activities of the organisation, including the administration of grants is delegated to the Chief Executive and his team.

The Board met four times in 2024. All Trustee Directors give their time freely and no Trustee Director was paid remuneration. In 2024, the Trustee Directors claimed £1,749 of expenses (2023: £708) in connection with the Trust's business.

The Trustee Directors in post during the year and up to the date of signing of this report were:

Name	Role
Anthony Burton CBE	Chair
Léonie Austin	Vice Chair
Anne-Marie Harris	Chair of the Finance and Risk Committee
Deepa Shah	Chair of the People and Governance until 11 March 2024
Ian Hempseed	
Melissa Mean	
Dr Jess Steele OBE	
Claire Spencer	Appointed 25 September 2024
Daniel Hill	Appointed 25 September 2024
Fintan Irwin-Bowler	Appointed 25 September 2024
Tim Davies-Pugh	Company Secretary



The following Trustee Directors were in post during 2024 but stood down before the date of signing of this report:

Name	Role
Sarah Gorman	until 25 September 2024
Dai Powell OBE	deceased 07 February 2024
Hardev Virdee	until 06 July 2025

Sub-Committees

The Charity changed its sub-committee structure during 2024 following a governance review.

Between September 2023 and February 2024, the People and Governance Committee conducted, on behalf of the Board, a review of the governance of Power to Change. The outcome of the review led to the following changes being made to the governance of the Charity, effective from 11 March 2024:

- (i) the **People & Governance Committee** was disbanded, with its duties either being transferred to the Board or delegated to the Chief Executive and his team.

The People and Governance Committee (until disbanded on 12 March 2024) oversees all people and governance matters including composition of the Board, all policy and people related matters, diversity and adherence to the Trust’s values.

Members (until 12 March 2024): Deepa Shah (Chair), Léonie Austin, Sarah Gorman.
Members met once in 2024.

- (ii) the Finance and Audit Committee was renamed the **Finance and Risk Committee**, with its duties widened to include scrutiny of risk management effectiveness and overseeing business development and income generation activities, to enable it to make recommendations to the Board for the purposes of improving the efficiency and effectiveness of the Trust’s financial and risk governance.



The Finance and Risk Committee (from 12 March 2024, previously named Finance and Audit Committee) oversees financial aspects of the Charity including budgeting, financial and management reporting, risk management, business development and income generation activities. It also oversees all systems of control, including the annual external audit and the internal controls processes.

Members: Anne-Marie Harris (Chair), Dai Powell OBE (until 07 February 2024), Hardev Virdee, Tony Burton (from 11 March 2024), Deepa Shah (from 11 March 2024), Sarah Gorman (from 11 March 2024 to 25 September 2024). Members met four times in 2024.

In memory of Dai Powell

Trustee Director of Power to Change

We remember Dai Powell with deep gratitude and respect. As a dedicated trustee director of Power to Change, Dai brought vision, integrity, and unwavering commitment to strengthening communities through social enterprise. His leadership and passion for community empowerment left a lasting legacy, inspiring those around him and shaping a better future for many.

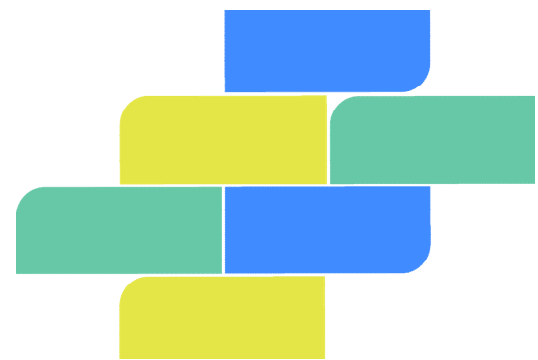
Dai's work lives on in the organisations and lives he touched. He will be deeply missed but never forgotten.

Management

Management personnel

The board delegates day-to-day management of the organisation to the Executive Team, led by the Chief Executive. The Executive Team all attend board meetings. During the year the Executive Team comprised:

Executive Team Member	Position
Tim Davies-Pugh	Chief Executive



Nicola Fuschillo	Chief Operating Officer (until July 2024)
Ailbhe McNabola	Deputy Chief Executive (until December 2024)
Nicola Steuer	Deputy Chief Executive (from September 2024)

Fundraising practices

The Charity did not undertake any fundraising activities or involve any professional third-party fundraisers or commercial participators during the year. Given this, we did not receive any complaints and do not have anything to disclose about fundraising practices under the provisions of the Charities (Protection and Social Investment) Act 2016.

Grant-making policy

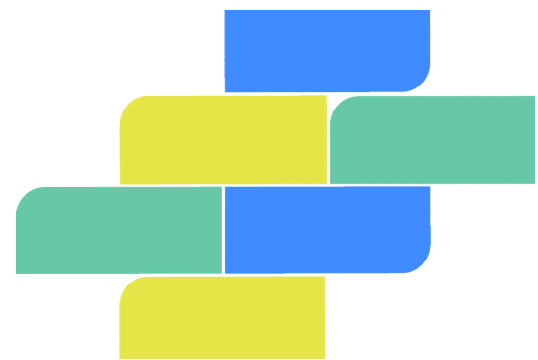
Grant making remains a key activity of the Charity. Our grant making processes are governed by the Grants Policy Framework which was revised in 2022, approved by the Board and given the consent of the Protector.

The Board has appointed the Executive Grants Committee (EGC) as an executive decision-making body of the Charity with delegated authority to award, reject or withdraw grants in accordance with the Charity's objectives and to ensure that all grants are awarded in line with the Grants Policy Framework. The EGC reports directly to the Board. Grants over £500k require approval of the Board.

The EGC has the power to delegate grant decisions to sub-committees. These sub-committees, which are often run in conjunction with the Trust's delivery partners, have terms of reference which include membership, voting and a maximum grant value they can award.

Risk management

The Trustee Directors recognise that the effective management of risks is central to the Charity's ability to achieve its objectives, and aims to anticipate and, where possible, manage risks rather than dealing with their unforeseen consequences. The Charity has a five-step approach to risk:



clarify objectives, identify risks to achieving objectives, assess and rate the risks according to a scoring formula (Likelihood x Impact + Impact), determine the appropriate response to each risk and then finally review and report on those risks.

The Charity has also prepared and agreed a risk appetite statement that identifies its appetite for risk across all its areas of activity. For example, investments in programmes and our grant making have a different appetite for risk (high) compared to legal/regulatory and trust compliance where risk tolerance is low.

The key risk review and reporting mechanisms at Power to Change are:

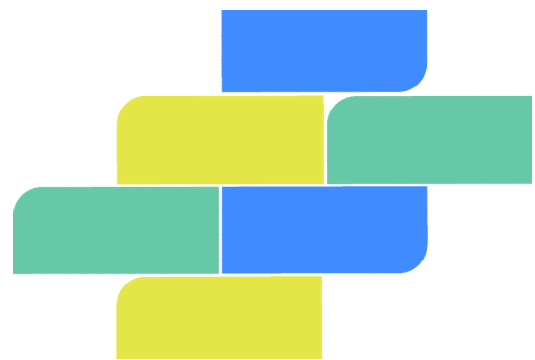
- **Risk register.** The risk register forms the Charity’s primary mechanism for considering long-term risks, set in the context of our statement for risk appetite. It identifies all known long-term risks and assigns them for management to an individual member of the Executive Team. They are reviewed quarterly by the Executive Team and annually by the Board (additionally red risks are reviewed by the Board every six months).
- **Management accounts and budgets.** Management accounts measure financial performance against financial objectives and they identify the risks of not achieving these objectives. Management accounts are prepared monthly, detailed reviews are carried out with budget holders at least quarterly, and budgets are produced annually. Management accounts are reviewed against budget on a quarterly basis by the Finance and Risk Committee and shared with the Board.

The last formal full review and update by the Trustee Directors of the risk management framework and the statement of risk appetite was in March 2024, and the risk register was last reviewed by Trustee Directors in September 2024.

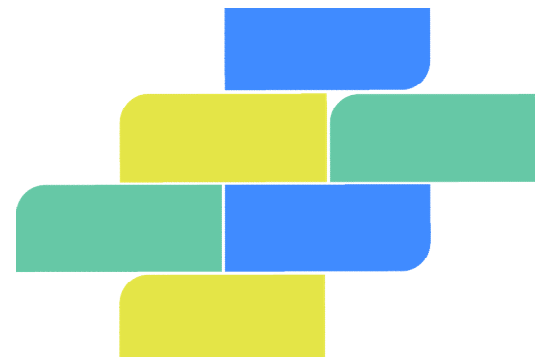
The most significant areas of risk (after considering mitigating actions) are summarised below together with a summary of the mitigations.

Summary of significant risks

Area of risk	Mitigations
<p>Financial</p> <p>Failure to transition our financial model and achieve our income generation targets.</p>	<p>Our revised financial model removes the immediate impact of generating additional income and while realising the full value of the capital and interest repayments on the loan made by our wholly owned subsidiary, PTC</p>



	<p>Renewable Energy Ltd, to Community Energy Together members is a risk, it is low given the value of the assets financed.</p> <p>Work to embed an approach to business development that delivers the sustainable income for Power to Change will be completed during 2025.</p>
<p>External</p> <p>Fraudulent behaviour, poor-quality and/or failure to deliver services or other inappropriate activity by grantees, suppliers and delivery partners undermine our reputation</p>	<p>Close performance and relationship management of suppliers and delivery partners and contractors to ensure potential reputational risks flagged. Whistleblowing policy in place and a communications protocol in place for managing negative situations.</p>
<p>Operational</p> <p>Major IT systems failure or cyber security attack</p>	<p>All systems are cloud based and regularly backed-up. Single Sign-on features enabled on main applications. All staff required to complete cyber security training during probation and regular refresher sessions and re-validation of Cyber Essentials achieved in September 2024.</p>



Statement of responsibilities of the Trustee Directors

The Trustee Directors are responsible for preparing a Trustee Directors' annual report and financial statements in accordance with applicable law and FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland.

The law applicable to charities in England and Wales require the Trustee Directors to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing the financial statements, the Trustee Directors are required to:

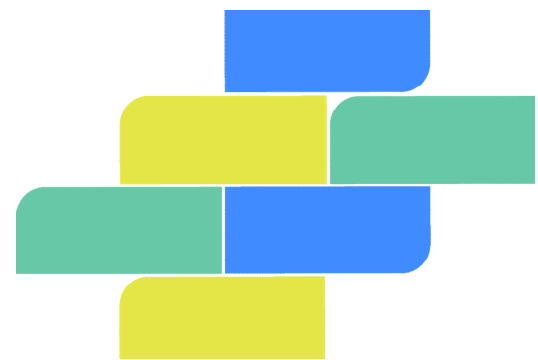
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the applicable Charities Statement of Recommended Practice
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures that must be 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.

The Trustee Directors are responsible for keeping proper accounting records that 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 Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustee Directors on 9 July 2025 and signed on their behalf by:



Anthony Burton CBE
Chair



Protector's statement

Background

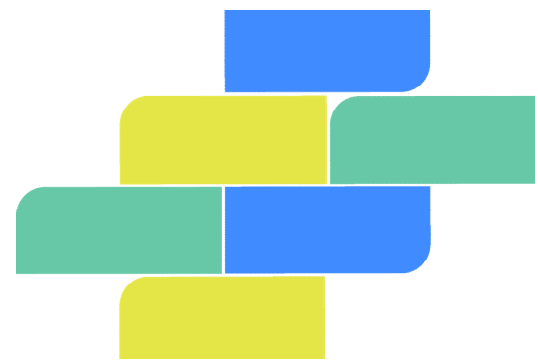
I was appointed as Protector of the Power to Change Trust ('the Trust') by The National Lottery Community Fund on 1 November 2018 for a period of three years. My term of office was renewed for a further five years on 1 November 2021. The Trust is a UK registered charity set up for broad charitable purposes, with a corporate trustee controlling its affairs. The corporate trustee is Power to Change Trustee Limited, which in turn is controlled by a board of directors (the Board) who meet regularly. The Board delegate the day to day running of the Trust to the Chief Executive.

The founder of the Trust is The National Lottery Community Fund ('the Fund'), previously known as the 'Big Lottery Fund', which invested £149 million in setting up and endowing the Trust with a view to making 'community-led enterprise across England a sustainable solution to local social and economic needs and opportunities'.

Function of the Protector

The function and powers of the Protector are set out in the Trust Deed dated 3 November 2014 and subsequent thereto supplemental deeds dated 6 January 2015 and 28 September 2016. The fiduciary duty of the Protector as stated in the Trust Deed is to 'ensure the integrity of the administration of the Charity and the propriety of its procedures'. The Protector is not involved in the decision making and is not a trustee director of the Charity but is entitled to receive notice and accompanying papers in relation to all meetings of the Trustee, committees of trustee directors and members of the Trustee, to speak at such meetings and to table items for discussion. If necessary, the Protector must report matters of serious concern to the Fund or to the Charity Commission. The function of the Protector therefore is to ensure the Trustee Directors administer the Trust properly and to act as a 'watch-dog', monitoring the Trustee and preventing it from overreaching its powers or breaching its duties. More positively, the Protector must seek to ensure, as far as possible, that the Trust is administered in accordance with the terms of the Trust Deed and give or withhold consent or approval to the exercise of certain powers by the Trustee.

I am required under the Trust Deed to prepare a statement for publication by the Trustee in its annual report, explaining the Protector's function, how the function has been exercised and, if appropriate, identifying any areas of administration that require improvement and steps to be taken by the Trustee to affect such improvement.



Aims of the Trust

The Fund established the Trust to bring about a widespread recognition of the economic and social benefits of community-led enterprise and asset ownership so that more local people are enabled to improve the places where they live. The principal objectives of the Trust are set out in the Structure, Governance and Management section (p34) of this document.

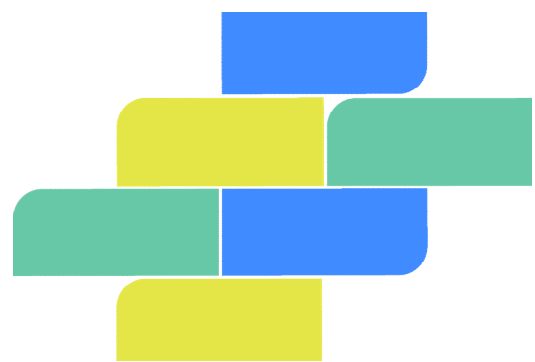
The permitted methods of achieving the objectives are widely drawn within the Trust Deed and the Fund sets out the key supporting interventions that it wishes the Trust to use in exercising its powers and duties. The Fund's desired outcome is that the Trust should encourage and develop sustainable community businesses and help to bridge the gaps in market infrastructure, including intermediaries, while increasing the understanding of the key variables that drive community business creation and sustainability. The Fund expects the Trust to do this by working in partnership with others in the public, private and voluntary sectors and building an evidence base that demonstrates how community businesses become sustainable and deliver better outcomes for people and communities most in need.

Administration of the Trust

The Board holds all of its meetings in person at locations operated by not for profit or community businesses. Meetings of Board Committees are usually held on line in order to facilitate full attendance for those Trustee Directors and executives with demanding roles or busy portfolios. During the year I have attended all of the meetings of the Board of Trustee Directors, one meeting of the People and Governance Committee before the Committee was disbanded and five meetings of the Finance and Risk Committee (F&RC). I have participated in the Board strategy events and away days and on site visits to Community Businesses that are beneficiaries of the Trust's work. In addition I have met three times during the year with the Chair and monthly with the Chief Executive as part of my ongoing responsibility to keep matters under regular review.

I have met with representatives of the Fund on four occasions to provide regular assurance on the effective governance oversight and management of the endowed fund including specific assurance on the attention to risk, governance and oversight of PTC Renewable Energy by Power to Change Trustee Directors.

There have been no requests for Protector consent during the year and no matters of significant concern that I determined required raising with TNLCF or the Charity Commission. Throughout the year the Trustee Directors and executive have sought my views on matters relating to the organisation's forward strategy, to the governance and resourcing of the Trust and on matters related to the use of endowed funds to support demonstrators and innovative forms of finance for



community asset developers. The Trust continues to incorporate my comments and guidance into its decision making and I am grateful for their inclusive approach.

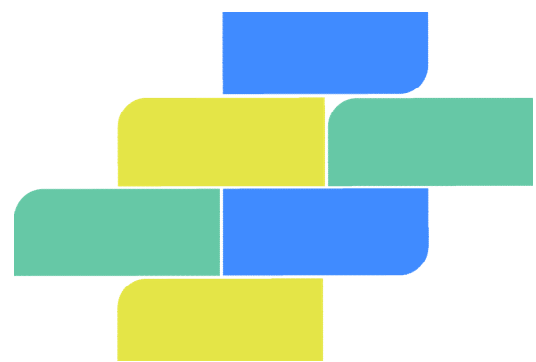
I am satisfied that the Trust has been administered in accordance with the terms of the Trust Deed for the period 1 January 2024 to 31 December 2024.

The year under review

This year has been marked by the ever growing reach of social media in both mobilising communities and in creating fractures in communities. Policy debates have focused on the economically excluded, cost of living pressures, increasing demand on public services, controls on public spending and a renewed commitment to devolving power to local communities. The core purpose of Power to Change is to nurture the conditions in which community led enterprise can deliver economic and social benefit and to support community led innovation that builds sustainable social value. Power to Change has evolved from being a largely grant giving organisation towards a greater focus on field building, policy influencing and brokering partnerships and coalitions that are able to shape those conditions where community businesses can thrive. The Trustee Directors have given considerable time over the year to formulating the strategic ambition for Power to Change over the next five years, building on the extensive evidence and research base and learning accumulated since the Trust's inception in 2015 as well as engaging directly with Community Businesses to test and verify the design of Power to Change as a think-do tank.

The Trust has therefore refined and reframed its strategy whilst staying true to its original purpose and legacy goals – resilient community business that drive community ownership and vest the power to change their communities for the better in the people who live and work there. There have been notable policy shaping successes during the year which are detailed in this report and the Board has supported a number of test and learn programmes aimed at capacity building in the community business sector. Thought leadership through published papers, acting as a convenor of interested but disparate stakeholders and connecting to policy makers in existing and new devolved structures has positioned Power to Change as a trusted, independent source of ideas, evidenced solutions and working demonstrators for public, private and not for profit funders to back community businesses with ongoing investment.

I have observed that the internal changes in operating practices and culture to reposition Power to Change to deliver its refreshed ambition has been well managed with the necessary time spent on ensuring the organisation downsizing and restructuring of roles is fair and transparent. There have been resulting changes in executive leadership and a proportionate shift in layers of internal governance as the larger grant funding programmes come to an orderly close. The Board has encouraged organisational agility and greater pace in decision making whilst seeking assurance that appropriate due diligence, options appraisals and risk mitigations are in place to support new and innovative programmes. The organisation is gradually becoming less dependent upon external



programme delivery partners as new skills come into the Trust at both executive and Trustee Director levels and as it moves to co-create initiatives directly with community businesses.

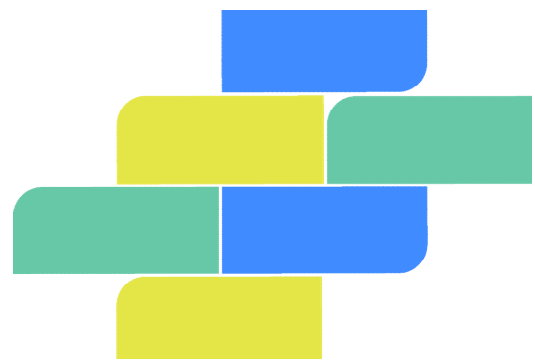
The areas outlined above serve to demonstrate that the Trust continues to pursue the aims of the Funder as set out in the Trust Deed, to seek to secure a sustainable legacy from its work and to add value to the community business sector.

Board of Trustee Directors and Executive changes

The Trust Chair, Tony Burton, has been keen to align the skills of incoming Trustee Directors with the future direction of Power to Change as well as right sizing the governance structure. Disbanding the People and Governance Committee and reshaping the Finance and Risk Committee has reduced the number of meetings whilst extending the time for full Board meetings to spend more time on strategic issues. The three new Trustee Directors joining the Board during the year bring a broad set of experience from the public and community business sector to compliment the skills and corporate memory of the long serving Trustee Directors. I was invited to comment on skills profile of the Board, providing assurance to the Fund on the open recruitment and appointment process and had induction sessions with incoming Trustee Directors to explain the role and functions of the Protector.

Attendance at Board and Committee meetings is good and the commitment of the Trustee Directors has been notable although the understandable demand pressures on most Board members from their full time executive roles presents challenges to attendance. Scrutiny of some new programmes; the detailed governance and financial oversight of PTC Renewable Energy as CORE has transitioned to Community Energy Together (CET); and the detailed examination of pay and reward proposals and the oversight of new Trustee Director recruitment and appointment following the disbanding of the People and Governance Committees have fallen to task-limited Board Sub Groups but with a clear assurance and reporting line to the Board and a full audit trail of key decisions.

The Board continues to operate in a challenging and collegiate manner. The Chair encourages inquiring and informed contribution from all attendees during meetings and Trustee Directors engage with and challenge appropriately the issues brought to them. Board papers for decisions, presentations and background briefings are comprehensive and financial reports have been streamlined to provide clarity on the use of restricted funds and the residual endowment, including the repayments of the loan and interest into the endowment from the investment in CET. The expanded terms of reference for the Finance and Risk committee has provided more time for scrutiny and assurance on the management of key risks and assessing income generation opportunities to ensure future financial sustainability. From my observations at Board meetings there appears to be an appropriate division between the strategy setting, oversight and monitoring role of the Board and the day to day responsibilities of the executive team. I am satisfied that the



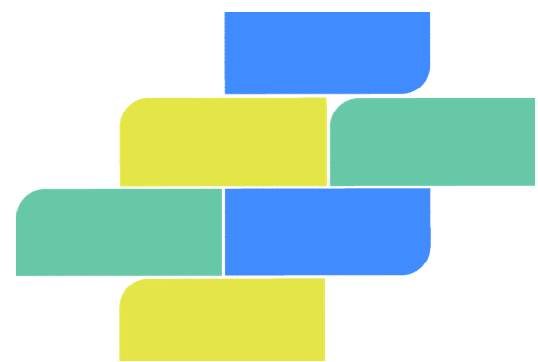
Board has had due regard to the risks and opportunities facing the Trust as it aligns its resources to the delivery of a new strategy and to achieving the aims and objectives set out in the Trust Deed.

The changes in the senior executive team during the year have been well managed by the CEO, Tim Davies-Pugh and he has ensured a seamless transition between outgoing and incoming or newly promoted executive members with no lapse in the information flows or governance support to the Board. Power to Change has lost two long serving executive members from the team but it is reassuring to see that the organisation has remained focused on delivering its plan and that the Trustee Directors have leaned in to support the CEO and assisted in the recruitment of a Deputy CEO who has made an immediate positive impact in the organisation. I have observed a constructive and supportive relationship between the Board and the executive team which is built on trust, candour and mutual respect.

Governance

As noted the Trust has reshaped its committee structure this year and this simplification appears to be working well and to be both appropriate and proportionate at this stage of the Trust's operations. In compliance with the Trust Deed and reflecting the wishes of the Fund, I have particularly noted the following:

- Membership of the Finance and Risk Committee has been increased to ensure future quoracy for all meetings; onward succession planning as other Trustee Directors step down in 2025; skills coverage of the areas transferred from the People and Governance Committee; and to bring wider perspectives to the issues under discussion. The Chair of the F&RC initiated a light touch review of the Committee effectiveness towards the end of the year.
- Detailed examination of the legal and financial implications of moving CORE into sustainable community ownership. The F&RC has ensured the governance structure for PTC Renewable energy and reporting into the Power to Change Board is strengthened and the accounting treatment of repayments by PTC Renewable Energy to Power to Change is compliant with Charity Commission and HMRC regulations.
- A thorough review of financial delegations, operating and financial manuals and a clear audit trail of the responsibilities and timetable for the review of core policies. As the organization continues to downsize the F&RC will seek assurance on the robustness of the internal controls framework and the appropriate segregation of duties.
- The Trust has commissioned an external evaluation to capture learning from the CORE programme given the policy opportunities that are emerging through Great British Energy,



Local Energy Plans and regional devolved administrations where community owned clean energy infrastructure can play a role.

- Monitoring of the Trust's progress on its Equity, Diversity and Inclusion ambitions resides with the Board and continues to be a cross cutting theme in the evolving strategy.
- The measurement of impact as a think do tank is more complex and nuanced than the quantitative key performance indicators that have been used through large grant giving programmes. The Board is alive to this, particularly as it moves into income generation and the need to clearly articulate Power to Change's value proposition to potential funders. Work is underway with a number of partners from academia, think tanks, policy makers, funders and community business networks to develop a compelling narrative that explains the economic, social infrastructure and community benefits of the community business sector. This aims to meet the outcomes set out in the Trust Deed, particularly that Power to Change develops and supports community businesses in becoming mainstream economic contributors which help those most in need and in so doing to have a multiplier effect in the wider community.

From my observations of committee meetings and conversations with Trustee Directors and executives, I conclude that the Board applies a proportionate and appropriate level of scrutiny and challenge to operations.

Looking ahead

The year ahead looks both volatile and uncertain given the impact of wider economic and fiscal pressures on local communities, public services and all parts of the not for profit sector. Power to Change is somewhat buffered during this uncertainty with the residual endowment providing support for new test and learn programmes and core project delivery. There is much to celebrate as the Trust approaches its 10th anniversary and its place in the community business ecosystem has been defined by its willingness to take risks and not just back the safe ideas; addressing infrastructure gaps; leveraging funding into the sector; advocating, learning and sharing with others in order to grow the community business sector - exactly how the Fund and Founder envisaged. I am assured that the Trust continues to stay true to the original purpose and aims upon which it was established.

There is already a worthwhile legacy and evidence base from Power to Change's work over ten years which has created a broader and deeper awareness of the collateral, reach and impact of the sector. Policy and decision makers are actively seeking out Power to Change to help them shape national and local community led programmes. The Board is ambitious for the future of the Trust but new sources of income are slow to materialise and may be difficult to secure given the uncertainties outlined above. A compelling narrative and value proposition to TNLFC and other

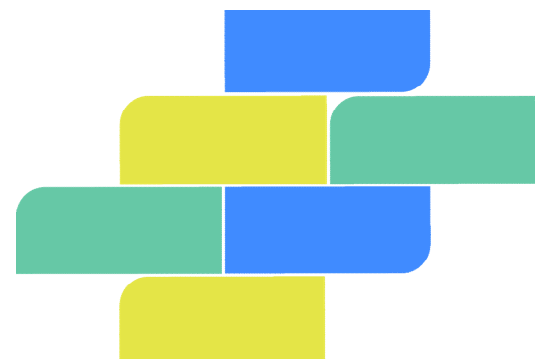


fundraising is in development although the internal entrepreneurial, business development skills needed to explain and exploit this is currently limited. The Board has rehearsed the timescale to ramp income generation alongside the flight path for spend down of the endowment. Trustee Directors also recognise that the organisation's risk appetite will inevitably change depending on the viable lifespan of the Trust.

I will continue to assure the Fund of the robustness of the fiduciary oversight and administration of the Trust by the Board. As I reported last year as the endowed fund is spent down the Trust and the Lottery will need to agree how it operates within the parameters of the Trust Deed and what criteria would need to be met for the Deed conditions to fall away. I remain fully engaged in these ongoing discussions.



Susan Johnson OBE
Protector, Power to Change Trust
May 2025



Independent auditors report

Opinion

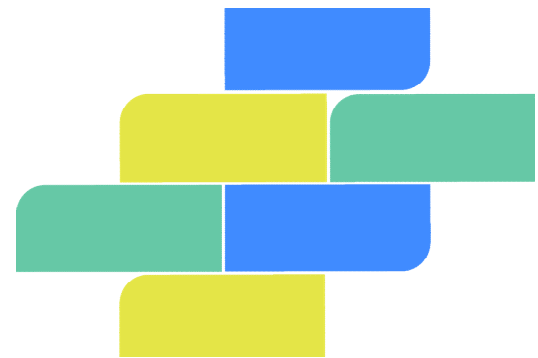
We have audited the financial statements of Power to Change Trust for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidate and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024, and of its incoming resources and application of resources, 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 Charities Act 2011.

Basis for opinion

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



Conclusions relating to going concern

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 charity'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.

Other information

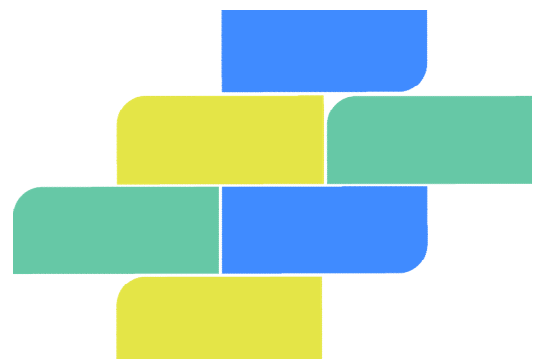
The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other 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 there is 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:



- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we required for our audit.

Responsibilities of trustees

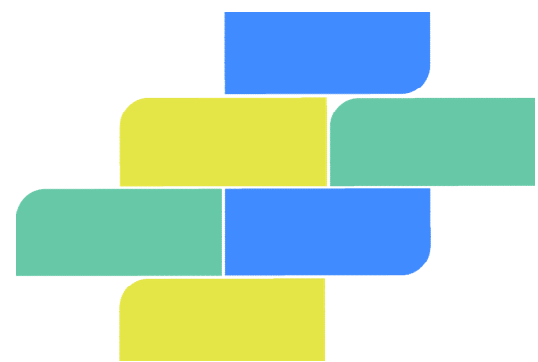
As explained more fully in the trustees' responsibilities statement set out on page 42, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144¹ of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

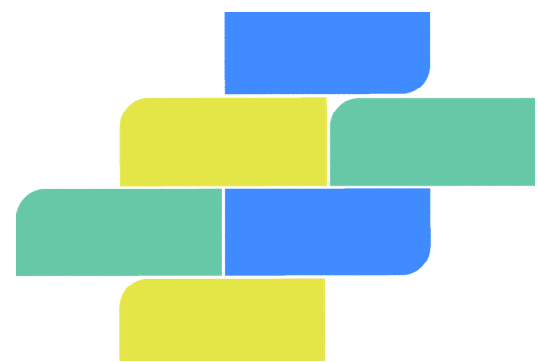


material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



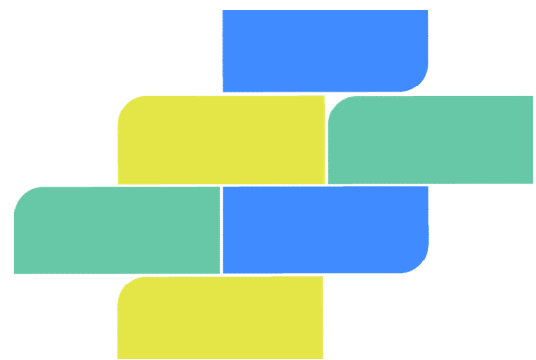
Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.



There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP.

Jonathan Aikens (Senior Statutory Auditor)

For and on behalf of Moore Kingston Smith LLP

Date: 20/08/2025

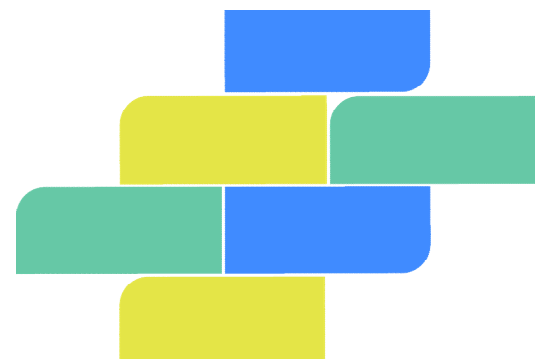
6th Floor

9 Appold Street

London

EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.



Financial statements

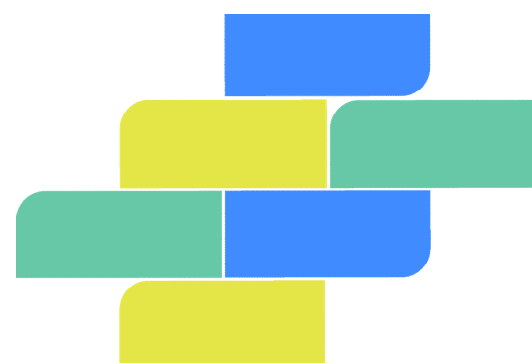
Consolidated Statement of Financial Activities

Table 1. Consolidated statement of financial activities for the year to 31 December 2024

	Notes	Endowment funds £'000	Restricted funds £'000	2024 total funds £'000	2023 total funds £'000
Income from:					
Subsidiary	2	513	-	513	-
Charitable activities	2	-	2,062	2,062	6,445
Interest and investments	2	447	-	447	375
Total income		960	2,062	3,023	6,820
Expenditure on:					
Raising funds		-	-	-	-
Existing programmes		1,117	2,170	3,288	7,043
Closing programmes		667	721	1,388	1,993
Total expenditure	3, 6, 7	1,784	2,891	4,676	9,036
Net gains / (losses) on investments	10	-	-	-	1,647
Net (expenditure) / income	4	(824)	(829)	(1,653)	(570)
Transfers between funds	14	-	-	-	-
Net movement in funds		(824)	(829)	(1,653)	(570)
Reconciliation of funds					
Total funds brought forward		20,467	829	21,296	21,866
Total funds carried forward	14	19,643	-	19,643	21,296

All gains and losses are included in the statement of financial activities.

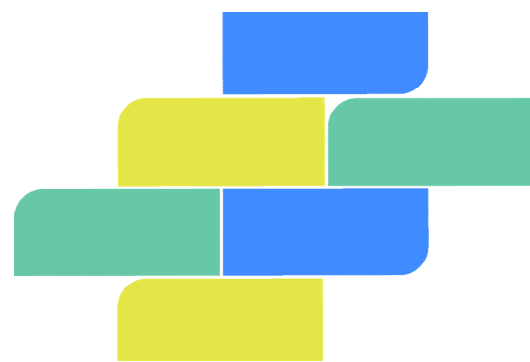
The accompanying notes on pages 60 to 82 form part of these financial statements.



Consolidated and Charity Balance Sheets

Table 2. Consolidated and Charity Balance Sheets as at 31 December 2024

	Notes	2024		2023	
		Group £'000	Charity £'000	Group £'000	Charity £'000
Fixed assets					
Intangible assets	8	0	0	15	15
Tangible assets	9	2	2	10	10
Investments	10	5,954	5,226	933	5,226
		5,956	5,227	958	5,251
Current assets					
Cash at bank and in hand		15,452	14,915	17,482	17,482
Debtors	11	598	664	6,315	454
		16,049	15,579	23,797	17,936
Current liabilities					
Creditors: amount falling due within one year	12	(2,363)	(2,363)	(3,302)	(3,085)
Net current assets		13,687	13,216	20,495	14,850
Total assets less current liabilities		19,643	18,443	21,453	20,101
Creditors: amount falling due after one year	12	0	0	(157)	(157)
Net assets		19,643	18,443	21,296	19,944
The funds of the charity					
Endowment funds	14	19,643	18,443	20,467	19,115
Restricted funds	14	0	0	829	829
Total funds		19,643	18,443	21,296	19,944



Approved by the Corporate Trustee.

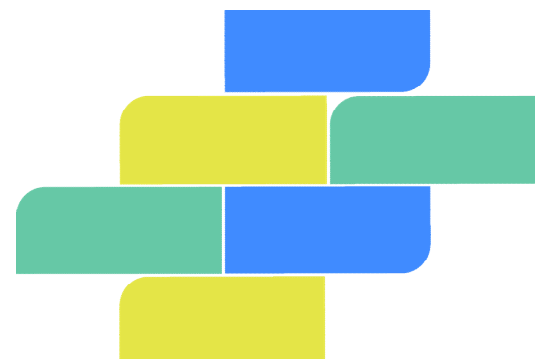
Authorised for issue on 9th July 2025 and signed on behalf of the Trustee Directors:

A handwritten signature in black ink that reads "Tony Burton". The signature is written in a cursive style with a prominent loop at the end of the name.

Anthony Burton

Chair

The accompanying notes on pages 60 to 82 form part of these financial statements.



Consolidated Cash Flow Statement for the year to 31 December 2024

Table 3. Cash flow

	2024 £'000	2023 £'000
Cash outflow from operating activities		
Net expenditure	(1,661)	(570)
Share of joint venture (gain) / loss	0	0
Net expenditure before share of joint venture gain / loss	(1,661)	(570)
Depreciation/Amortisation of tangible and intangible fixed assets	26	45
Decrease / (Increase) in current asset investments	0	0
Decrease / (Increase) in debtors	5,718	(4,844)
(Decrease) / Increase in creditors	(1,100)	(1,649)
Net cash flow from operating activities	2,990	(7,018)
Cash inflow from investing activities		
Decrease / (Increase) in fixed asset investments	(5,022)	4,215
Payments to acquire tangible and intangible fixed assets	2	0
Net cash flow from investing activities	(5,020)	4,215
(Decrease) / Increase in cash in the period	(2,030)	(2,804)
Analysis of changes in net funds		
Cash balance at the beginning of the period	17,482	20,286
Increase in cash in the period	(2,030)	(2,804)
Cash balance at 31 December	15,452	17,482
Cash and cash equivalents / Investment		
Cash in hand	15,452	17,482
Total cash and cash equivalents / Investment	15,452	17,482



Table 4. Reconciliation of cash equivalents and net debt

	2023 £'000	Cashflow £'000	2024 £'000
Cash in hand	17,482	(2,030)	15,452
Total cash and cash equivalents / Investment	17,482	(2,034)	15,452

Note 1. Accounting policies

Introduction

The Trustee Directors are pleased to present the consolidated financial statements for the Group and for Power to Change Trust (“the Charity”). The consolidated Group financial statements include the results of all material subsidiaries on a line-by-line basis and all material joint ventures on an equity accounting basis, after the elimination of relevant intercompany balances and transactions.

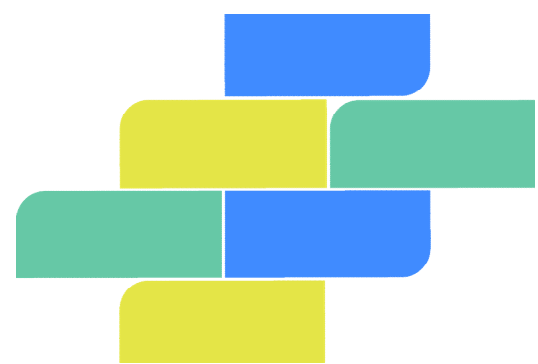
Note 9 lists all group companies and joint ventures.

The financial statements have been prepared to give a true and fair view and follow the 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 (Charities SORP FRS 102) effective 1 January 2019.

In the application of the Charity’s accounting policies and the applicable charity laws and regulations in England and Wales, the Trustee Directors are required to make judgements, estimates and assumptions about the carrying values of the assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised. In the view of the Trustee Directors, no assumptions concerning the future or estimation of uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Power to Change Trust meets the definition of a public benefit entity under FRS 102.



Consolidated financial statements are prepared under historical cost convention in pounds sterling, which is the functional currency of the Charity.

Going concern

The Trustee Directors considered the 2025 budget and the cash balance forecast for 31 Dec 2025 alongside the available reserves (described on page 67) and are satisfied that the funds available then are sufficient to cover existing commitments and planned spending through to 2028.

As such there are no material uncertainties surrounding the Trust's ability to continue as a going concern and the financial statements have been prepared on that basis.

Income and endowments

Income is recognised in the period where the Charity becomes entitled to the funds, receipt is probable, and the amount can be measured reliably. Income is deferred only when the Charity must fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

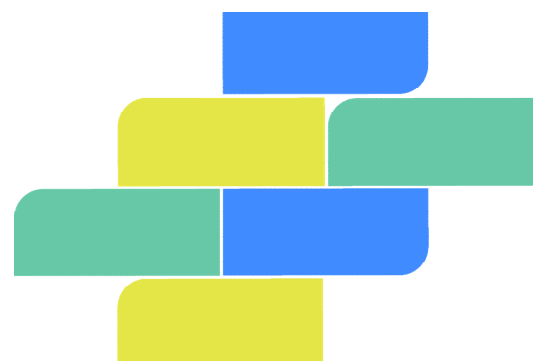
Grant income is recognised in the statement of financial activities when received or when the Charity becomes entitled to receipt. Grants that have been received are treated as deferred income where there are specific requirements in the terms of the grant that the income recognition is dependent on certain activities being completed in a future accounting period.

Fund accounting

Endowment funds represent capital gifted in 2015 by The National Lottery Community Fund (formerly the Big Lottery Fund). Any unspent income arising from the Capital Fund is added to The National Lottery Community Income Fund and the Trustee Directors may transfer amounts from the Capital Fund to the Income Fund to cover any shortfalls in that fund.

Restricted funds are funds that have been given for particular purposes and projects. Restricted funds must be used in accordance with the funders' or donors' wishes.

Unrestricted funds are available to spend on activities that further any of the purposes of the organisation.



Expenditure

Expenditure is included on an accruals basis for the charitable activities, cost of raising funds and governance. Resources expended are allocated to a particular activity where the cost relates directly to that activity.

Grants payable are recognised, in line with our internal grant recognition policy, on a legal and constructive obligations principle basis. Grants payable are accounted for in full as liabilities as soon as the criteria for a constructive obligation has been met (specific commitment communicated directly to grant recipients) and there are no conditions attached which limits recognition.

Grant commitments requiring pre-conditions outside the control of the Trust to be met are recognised in full as liabilities when it is probable that these preconditions will be met. If it is possible that these pre-conditions might be met, the grant commitments are considered as contingent liabilities.

The cost of those staff whose responsibility was the direct management and administration of an activity are apportioned based on time spent in undertaking that activity. All charitable activities are classified in alignment with those undertaken in 2024.

Allocation of support costs

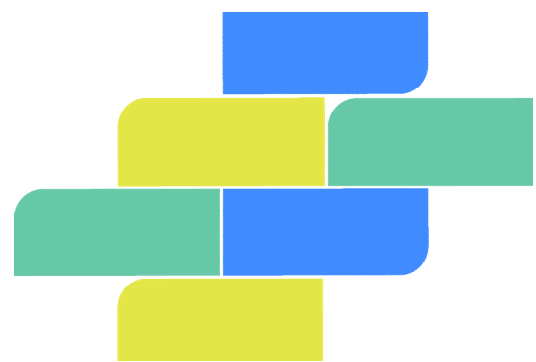
Support costs are those costs which enable the generation of funds and which enable charitable activities to be carried out. These costs include governance costs, finance, human resources, legal, information technology, office and organisation costs. Support costs are allocated to each of the activities in the same proportions as the direct staff allocations above.

Raising funds

The costs of raising funds are the costs incurred in business development activities for income generation.

Governance costs

Governance costs are the costs associated with the governance arrangements of the Charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the Charity's activities. Governance costs include an element of staff time based on the proportional allocation described under the expenditure policy above.



Pension

The Charity operates a group personal pension scheme. The pension cost charge represents contributions payable under the scheme by the Charity to the fund and are recognised in the Statement of Financial Activities in the period to which they relate. The Charity has no liability under the scheme other than the payment of the contributions.

Intangible fixed assets

Website development costs and customer relationship management software have been capitalised within intangible assets as they can be identified with a specific project anticipated to produce further benefits. Amortisation is provided to write off assets on a straight-line basis over their estimated useful economic life of three years.

Amortisation charges begin in the month of purchase and are included in charitable activities expenditure.

Tangible fixed assets

All assets costing more than £1,000 are capitalised and are carried at cost. Depreciation is provided to write off assets on a straight-line basis over their estimated useful economic life of three years. The depreciation charge begins in the month of purchase and is included in charitable activities expenditure.

Fixed asset investments

Fixed asset investments represents the charities investment in joint venture net assets (disclosed further in Note 9).

Cash and cash equivalents

Cash and cash equivalents represents cash balances and short term deposits which are accessible within a period of 100 days.

In the prior year, the accounting policy for cash and cash equivalents stated that "Cash and cash equivalents represents cash balances and short term deposits which are accessible on demand".



This has been updated to the policy shown above. Had this not been updated, the prior year amount would have been reduced by 11,846k which would have been included in current asset investments and an amount of £9,103k for 2024 would have been included in current asset investments.

Financial instruments

The Charity has financial assets and liabilities of a kind that qualify as basic financial instruments.

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective-interest method. Financial assets held at amortised cost comprise cash at bank and in hand, current asset investments, cash held as fixed asset investments, and trade and other debtors. Financial liabilities held at amortised cost comprise of trade and other creditors.

Instruments other than cash, held as part of a portfolio, are stated at fair value at the balance sheet date with gains and losses being recognised within income and expenditure.

Operating leases

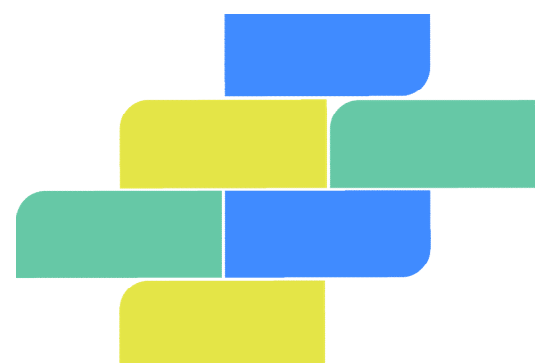
Rentals under operating leases are charged to the Statement of Financial Activities on a straightline basis over the lease term.

Contingent liabilities

Contingent liabilities are recognised when possible obligations may arise as a result of uncertain future events that are not wholly within the control of the Charity, for example an agreement with an intermediary to fund future onward grants that have not been recognised at the balance sheet date.

Joint venture investment

Joint ventures are those entities over whose activities the Group has joint control. Investments in joint ventures are accounted for by the equity method of accounting and are initially recognised at



cost, and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss after the date of acquisition. If the Group's share of the loss exceeds the carrying amount of its investment, the Group discontinues recognising its share of further losses. Additional losses are recognised as a provision only to the extent that the Group has a legal or constructive obligation to make payments on behalf of the joint venture. The Group only resumes recognising its share of profits after they equal the share of losses not recognised. Loans to joint ventures are included in fixed asset investments.

Note 2. Income

Table 5. Income

	Endowment funds £'000	Restricted funds £'000	Unrestricted funds £'000	2024 total £'000	2023 total £'000
Income from Subsidiary	513	-	-	513	-
Income from charitable activities					
The National Lottery Community Fund - funding for the new five year strategy	-	2,062	-	2,062	6,442
Other	-	-	-	-	3
Subtotal	-	2,062	-	2,062	6,445
Income from interest and investments					
Income from investments		-	-	-	-
Bank interest	447	-	-	447	375
Subtotal	447	-	-	447	375
Total income	960	2,062	-	3,023	6,820



Note 3. Expenditure allocation

Table 6. Expenditure allocation

£'000	Raising funds	Existing programmes	Closing programmes	2024 total	2023 total
Expenditure from Subsidiary	-	46	-	46	20
Grants Awarded	-	359	564	922	2,402
Programme delivery costs	-	93	238	331	478
Support to sector	-	81	506	587	882
Direct staff costs	-	905	160	1,065	1,677
Research and evaluation direct costs	-	158	70	228	454
Other direct costs	-	202	10	212	672
Support costs	-	1,091	193	1,284	2,452
Total	-	2,935	1,740	4,676	9,036

Note: Programme delivery costs include the management of grants awarded in prior years.

Table 7. Breakdown of support costs

	2024 £'000	2024 £'000	2023 £'000	2023 £'000
Staff costs - governance	117		299	
Direct costs - governance	41		44	
Governance		158		343
Staff costs - finance, operations and HR		571		887
Rent and organisation costs		327		801
Training costs		39		129
IT costs		154		132
Legal		9		135
Depreciation		26		45
Total		1,284		2,472

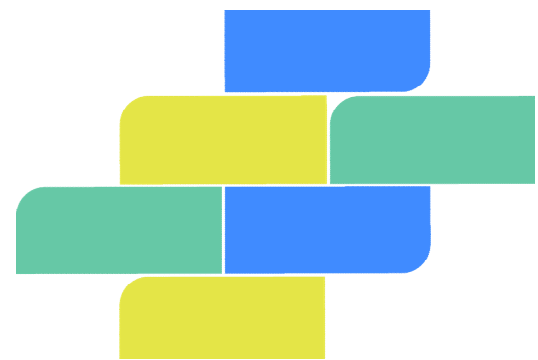


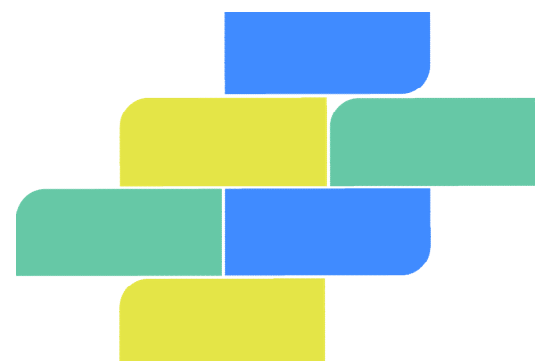
Table 8. Prior year expenditure allocation

	Raising funds £'000	Existing programmes £'000	Closing programmes £'000	2023 total £'000
Expenditure from Subsidiary	-	20	-	20
Grants Awarded	-	1,372	1,029	2,402
Programme delivery costs	-	310	168	478
Support to sector	-	678	204	882
Direct staff costs	-	1,040	637	1,677
Research and evaluation direct costs	-	255	199	454
Other direct costs	-	301	371	672
Support costs	-	1,513	938	2,452
Total	-	5,490	3,547	9,036

Note 4. Net expenditure

Table 9. Net expenditure for the year

	2024 £'000	2023 £'000
This is stated after charging:		
Operating lease rentals (rent)	78	89
External audit fees	18	38
Internal audit fees	-	9
Depreciation/Amortisation	26	45
Total	122	181

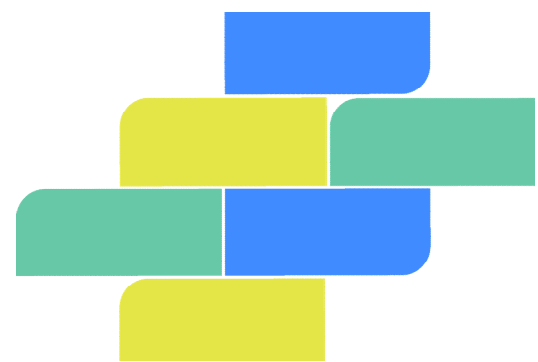


Note 5. Trading Subsidiary

Power to Change Trust has one wholly owned subsidiary, PTC Renewable Energy Limited, which gifts its taxable profit to the Trust. A summary of the results of the subsidiary are shown below:

Table 10. Activities of Subsidiary

	2024 £'000	2023 £'000
Income from:		
Interest and Investments	513	-
Total Income	513	-
Expenditure on:		
Administrative Expenses	46	20
Total Expenditure	46	20
Net gains / (losses) on Investments	-	1,566
Net (Expenditure) / Income	467	1,546
Tax on Profit	-	(188)
Total Funds Carried Forward	467	1,359



Note 6a. Staff costs and numbers

Table 11. Staff costs

	2024	2023
	£'000	£'000
Wages and salaries	1,509	2,437
Social security costs	152	240
Employer pension contributions	77	117
Other employee benefits	16	34
Subtotal	1,754	2,828
Training (support costs)	39	129
Training (direct costs)	-	7
Contractor costs	19	276
Recruitment costs	29	55
Total staff costs	1,841	3,294

The average number of employees (excluding contractors) during the year was as follows: 23

Table 12. Number of employees

	2024	2023
Charitable expenditure	15	14
Support and governance	8	25
Total	23	39

The number of employees who received remuneration (this includes termination payments set out below) of more than £60,000 in the year was as follows:

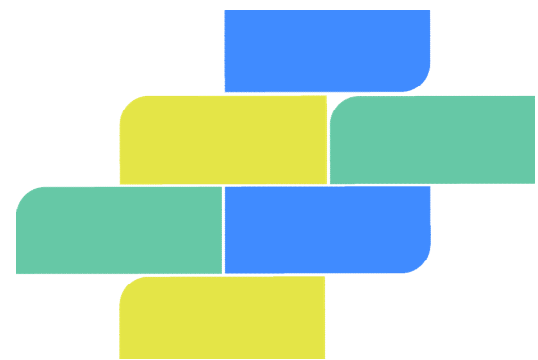


Table 13. Employees who receive remuneration

	2024	2023
£60,000 - £69,999	4	5
£70,000 - £79,999	3	3
£80,000 - £89,999	-	-
£90,000 - £99,999	-	2
£100,000 - £109,999	-	1
£110,000 - £119,999	1	-
£120,000 - £129,999	-	1
£130,000 - £139,999	-	1
£140,000 - £149,999	2	-

Total key management personnel costs for the year were £482k (2023: £580k).

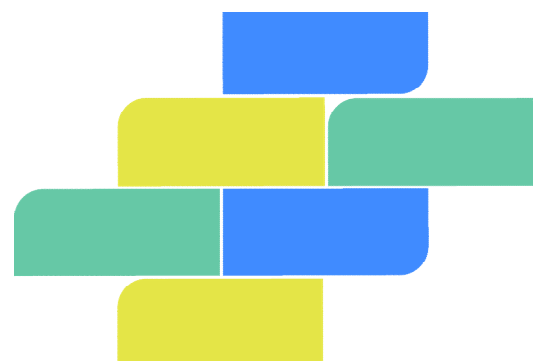
Details of key management personnel are set out on page 38.

Included in the wages and salaries costs are termination payments of £84k (2023: £240k).

Note 6b. Trustee Directors

Trustee Directors received no remuneration during the year (2023: £nil). In total 5 Trustee Directors received reimbursement for travel and subsistence expenses of £1749 during the year (2022: 4 Trustee Directors – £708).

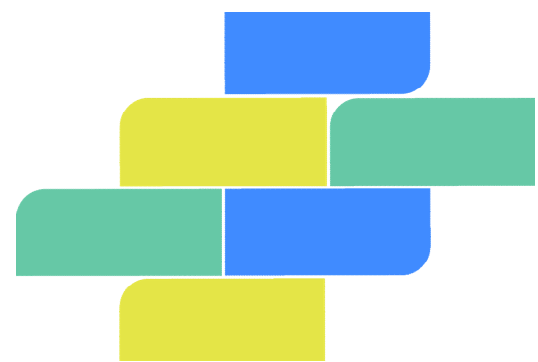
The Protector received remuneration of £15k for the year (2023: £15k) representing their fee as stipulated by the Trust Deed. The Protector also received reimbursement of travel and subsistence expenses of £457 (2021: £220).



Note 7. Grants awarded

Table 14. Grants awarded

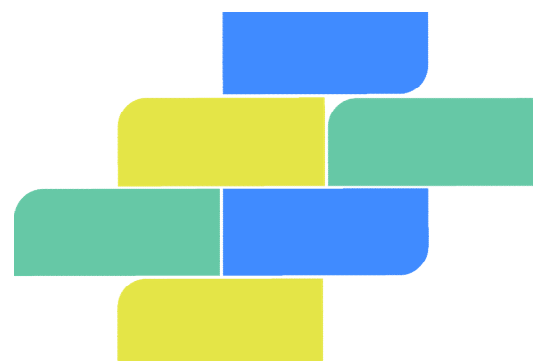
	2024 £'000	2023 £'000
Capabilities		
Powering Up	-	72
Other	-	53
Enabling Conditions		
Making the Case	-	79
Local and Regional	345	301
New Economic Models		
Community Business Trade Up	-	265
Community Shares	232	438
Crowdfunding	-	20
Democratic Ownership	-	40
Empowering Places	-	-8
Market Opportunities		
Climate Action Programme	-	1000
Community Tech	-	265
CORE and Next Gen	85	324
Others		
Impact and Learning	-	25
Communications	-	25
Programme Management	-	10
Portfolio Management	226	0
Policy and Insight	65	0
Grant Withdrawals	(30)	(506)
	922	2,402
Grants to Delivery Partners for Delivery Costs	324	0
Total	1,246	2,402



Note 8. Intangible Fixed Assets

Table 15. Intangible Fixed Assets

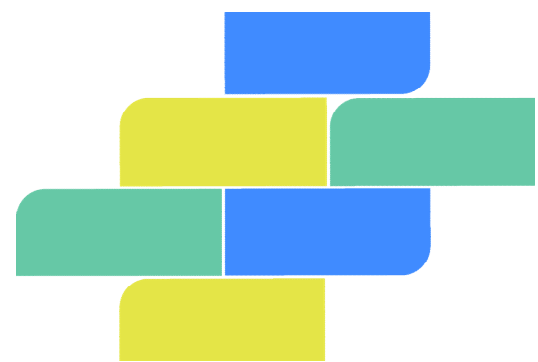
	Software £'000	Website £'000	2024 £'000	2023 £'000
Cost				
Brought forward	87	82	168	168
Additions	-	-	-	-
Disposals	-	-	0	0
Carried forward	87	82	168	168
Amortisation				
Brought forward	87	67	153	126
Charges for the year	-	15	15	27
Disposals	-	-	0	0
Impairment	-	-	-	-
Carried forward	87	82	168	153
Net book value				
Brought forward	0	15	15	42
Carried forward	0	0	0	15



Note 9. Tangible Fixed Assets

Table 16. Tangible Fixed Assets

	IT equipment £'000	Fixtures and fittings £'000	2024 £'000	2023 £'000
Cost				
Brought forward	95	39	133	133
Additions	2	-	2	-
Disposals	-	-	-	0
Carried forward	97	39	135	133
Depreciation				
Brought forward	92	31	123	106
Charges for the year	3	8	10	17
Disposals	-	-	-	0
Carried forward	95	39	134	123
Net book value				
Brought forward	2	8	10	28
Carried forward	2	-	2	10



Note 10. Fixed Assets Investments

Table 17. Fixed Assets Investments

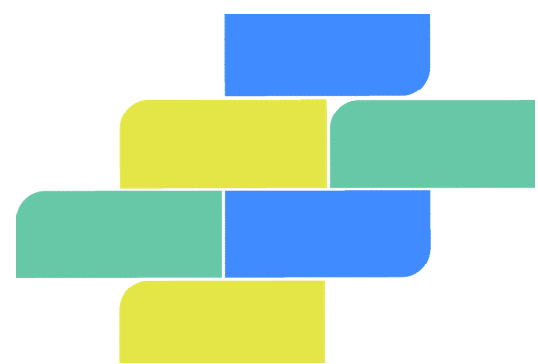
	2024		2023	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Social investment				
PTC Renewable Energy	-	5,226	-	5,226
Share of joint venture net assets	-	-	933	
Debtors				
Social Investment: loan to Community Energy Together Ltd	5,954		5,862	
Total investments	5,954	5,226	6,794	5,226

The social investment of £5,225k in 2024 (2023: £5,225k) relates to PTC Renewable Energy Ltd (a wholly owned subsidiary of the Trust).

The value of the loan to Community Energy Together Ltd is shown within in the Group accounts.

Table 18. Movement in Year

	2024		2023	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Social investment				
Movement in share of joint venture net assets	(840)	0	1,647	-
Decrease / (increase) in investments	(840)	0	1,647	0
Brought forward investments	6,794	5,226	5,147	5,226
Total investments at the end of the year	5,954	5,226	6,794	5,226



Note 11. Debtors

Table 19. Debtors (Group)

	2024 £'000	2023 £'000
Prepayments	31	49
Advances to intermediaries	558	404
Trade Debtors	-	-
Other debtors	9	-
Total	598	454

Table 20. Debtors (Charity)

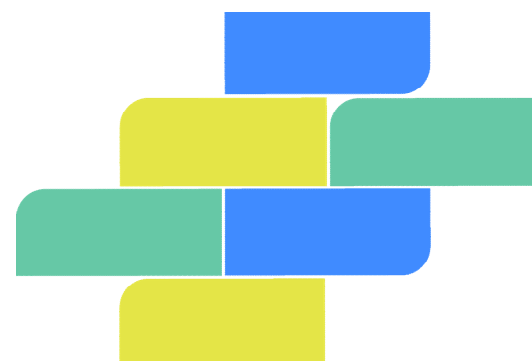
	2024 £'000	2023 £'000
Prepayments	31	49
Advances to intermediaries	558	404
Trade Debtors	-	-
Other debtors	75	-
Total	664	454

PTC Renewable Energy owed £66,312 to the charity at Year End

Note 12. Creditors

Table 21. Creditors

	2024 £'000	2023 £'000
Due within one year		
Trade creditors	490	552
Grants payable	1,749	2,283
Accruals	70	154
Other creditors	54	313
	2,363	3,302
Due after one year		
Grants payable	-	157
Total	-	157



Grants payable amounts are summarised below:

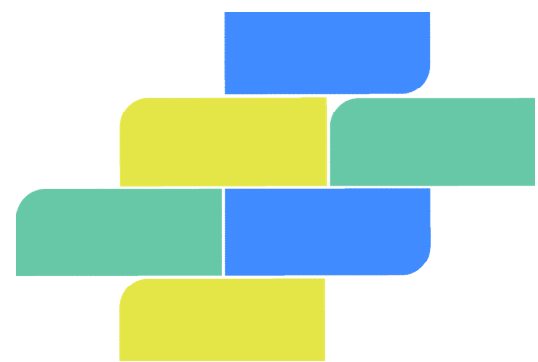
Table 22. Grants payable

	2024 £'000	2023 £'000
Balance brought forward	2,440	3,991
External grants awarded	922	2,402
Amounts defrayed	(1,613)	(3,953)
Balance carried forward	1,749	2,440
Balance carried forward due within one year	1,749	2,283
Balance carried forward due after one year	-	157
Total	1,749	2,440

Note 13. Related party transactions

Related Party Transactions with regards to PTC Renewable Energy are disclosed within the Financial Review.

During the year Lauriston Farm Limited (a grant recipient of Power to Change) engaged Hempsons LLP to give legal advice relating to their Powering Up activities. Lauriston Farm Limited had transactions equalling 2024: £2,600 (2023: £Nil). Ian Hempseed is a trustee of Power to Change and an employee of Hempsons LLP. These services were provided on an arms length basis and there were no balances due at year end.



Note 14. Group funds

Table 103. Allocation of assets by fund

	2024			2023			
	Endowment funds £'000	Other restricted funds £'000	Total £'000	Endowment funds £'000	Other restricted funds £'000	Unrestricted funds £'000	Total £'000
Intangible assets	0	-	0	15	-	-	15
Tangible assets	2	-	2	10	-	-	10
Investments	5,954	-	5,954	-	-	-	-
Share of joint venture net assets	-	-	-	933	-	-	933
Current assets	16,049	-	16,049	22,968	829	0	23,797
Current liabilities	(2,363)	-	(2,363)	(3,302)	-	-	(3,302)
Liabilities falling due after one year	-	-	-	(157)	-	-	(157)
Total	19,643	-	19,643	20,467	829	0	21,296

Table 24. Movement in 2024

	Balance b/f £'000	Income £'000	Expenditure £'000	Investment gains £'000	Transfers £'000	Balance c/f £'000
Expendable endowment						
The National Lottery Community Fund "Capital Fund"	20,467	-	-	-	(832)	19,635
The National Lottery Community Fund "Income Fund"	-	960	(1,784)	-	832	-
Total endowment funds	20,467	960	(1,784)	-	-	19,643
Restricted funds						
TNLCF - 5 year strategy from 2021	829	2,062	(2,891)	-	-	(0)
Total restricted funds	829	2,062	(2,891)	-	-	(0)
Total funds	21,296	3,022	(4,675)	-	-	19,643

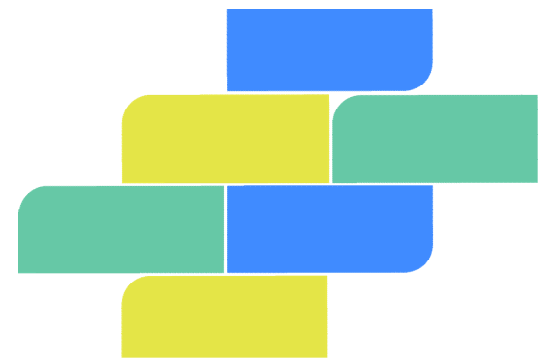
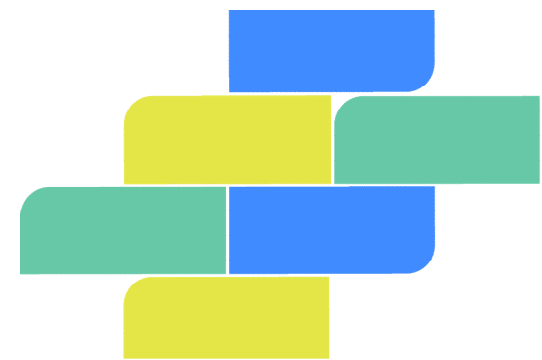


Table 25. Movement in 2023

	Balance b/f £'000	Income £'000	Expenditure £'000	Investment gains £'000	Transfers £'000	Balance c/f £'000
Expendable endowment						
The National Lottery Community Fund "Capital Fund"	21,124	-	-	-	(657)	20,467
The National Lottery Community Fund "Income Fund"	-	375	(2,678)	1,647	657	-
Total endowment funds	21,124	375	(2,678)	1,647	-	20,467
Restricted funds						
TNLCF - 5 year strategy from 2021	452	6,442	(6,065)	-	-	829
Open Society Foundations	255	-	(255)	-	-	-
Other research and HSC work	-	-		-	-	-
Total restricted funds	707	6,442	(6,320)	-	-	829
Unrestricted funds	35	3	(38)	-	-	0
Total funds	21,866	6,820	(9,036)	1,647	-	21,296



Note 15. Operating leases

At the end of the period, the group had future minimum commitments under operating leases (related to our three office locations) as follows:

Table 26. Operating leases

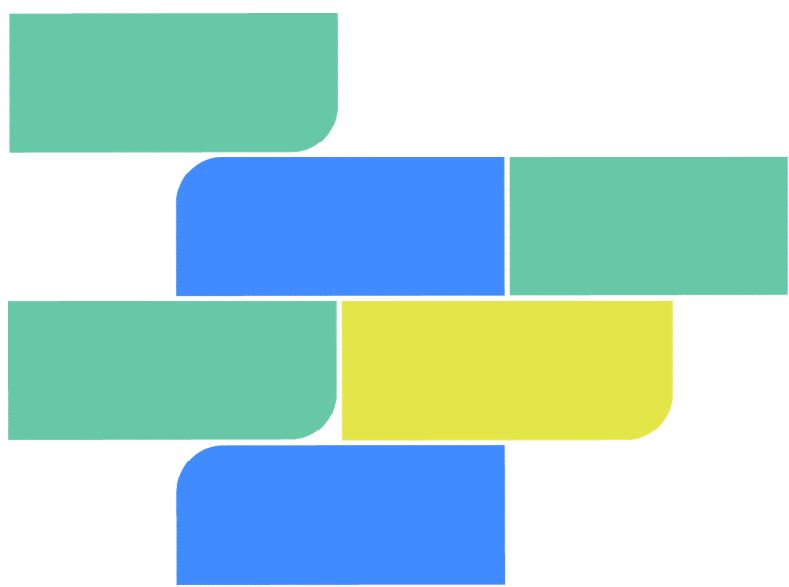
	2024 £'000	2023 £'000
Payment due:		
Within one year	44	49
Within two to five years	62	-
Over five years	-	-
	107	49

Note 16. Contingent Liabilities

At the end of the period, the group had future contingent liabilities in relation to two programmes of activities (Community Shares and Powering Up) amounting to £363,804. These relate to possible obligations which may arise as a result of uncertain future events that are not wholly within the control of the Charity, for example future onward grants.

Note 17. Status of the Charity

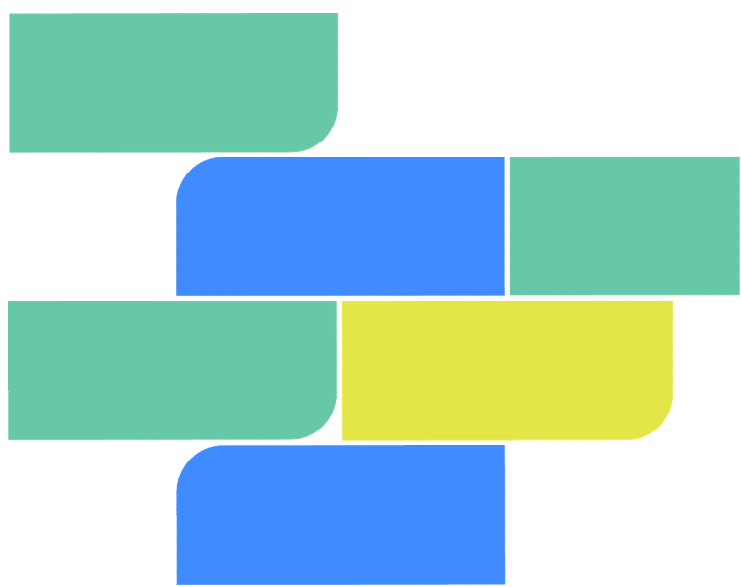
Power to Change Trustee Ltd (Company No. 8940987) is the corporate trustee of Power to Change Trust. The Charity came into existence on 21 January 2015 upon receipt of the endowment of £149,204,000 from The National Lottery Community Fund.



Note 18. Prior year statement of financial activities

Table 27. Consolidated statement of financial activities for the year to 31 December 2023

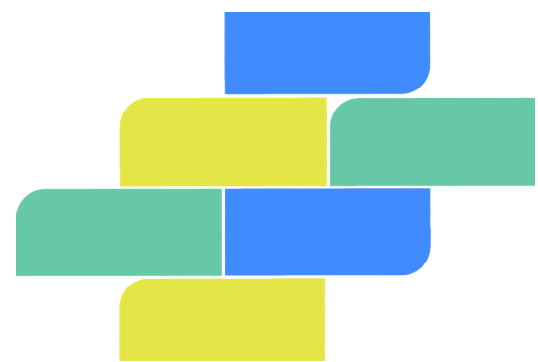
	Notes	Endowment funds £'000	Restricted funds £'000	Unrestricted funds £'000	2023 total funds £'000	2022 total funds £'000
Income from:						
Donations	2	-	-	-	-	-
Charitable activities	2	-	6,442	3	6,445	7,046
Interest and investments	2	375	-	-	375	115
Total income		375	6,442	3	6,820	7,161
Expenditure on:						
Raising funds		-	-	-	-	80
Existing programmes		1,689	5,316	38	7,043	11,224
Closing programmes		989	1,004	-	1,993	525
Total expenditure	3, 5, 6	2,678	6,320	38	9,036	11,829
Net gains / (losses) on investments	9	1,647	-	-	1,647	512
Net (expenditure) / income	4	(657)	122	- 35	(570)	(4,156)



Transfers between funds	13	-	-	-	-	-
Net movement in funds		(657)	122	-	35	(570)
Reconciliation of funds						
Total funds brought forward		21,124	707		35	21,866
Total funds carried forward	13	20,467	829		0	21,296

All gains and losses are included in the statement of financial activities.

The accompanying notes on pages 60 to 82 form part of these financial statements.



Reference details and details of advisers

Registered office **The Clarence Centre**

6 St George's Circus

London

SE1 6FE

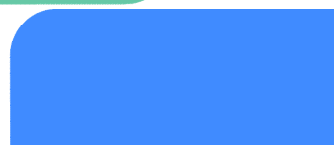
Charity Commission number **1159982**

Trustee **Power to Change Trustee Limited**

Company number 8940987 – England & Wales

(The Directors of the Trustee company are listed on page 36)

Protector **Susan Johnson OBE**



Auditor

Moore Kingston Smith

9 Appold Street

London

EC2A 2AP

Banker

Lloyds Banking Group

25 Gresham Street

London

EC2V 7HN

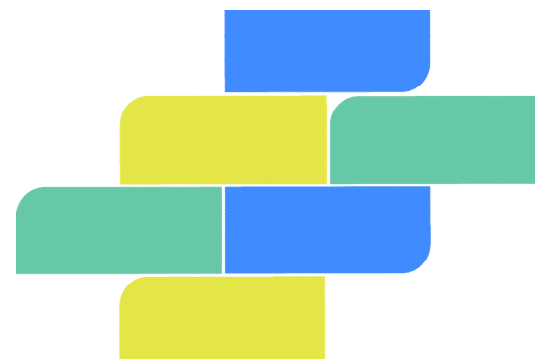
Solicitor

Wrigleys Solicitors LLP

19 Cookridge Street

Leeds

LS2 3AG





Backing
community
business

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Registered charity no. 1159982

We back community business from the ground up. We turn bold ideas into action so communities have the power to change what matters to them.

We know community business works to build stronger communities and better places to live. We've seen people create resilient and prosperous local economies when power is in community hands. We also know the barriers that stand in the way of their success.

We're using our experience to bring partners together to do, test and learn what works. We're shaping the conditions for community business to thrive

