



TRANSITION NETWORK

Registered Charity Number 1128675

Company Number 06135675

Trustees' Report and Financial Statements

for the year ended 31 March 2020

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Charity Information

(The information below forms part of the Trustees' Report)

Trustees	<p>The Trustees of the charitable company are its directors for the purpose of the Companies Act 2006 and throughout this report are collectively referred to as the Trustees. The Trustees who were in office during the year and up to the date of signing the financial statements were as follows:</p> <p>Henry Owen Hilary Susan Jennings Joseph Duggan Peter George Lefort Anna Helena Maria Kovasna (appointed 14 February 2020) Chandra Mouli Vemury (appointed 14 February 2020, resigned 24 June 2020) Clare Loraine Pavitt (resigned 31 March 2020)</p>
Lead Link of the Heart Circle	<p>Sarah McAdam (until 15th January 2020) Nicola Hillary (from 15th January 2020)</p>
Charity number	1128675
Company number	06135675
Registered office and principal address	43 Fore Street, Totnes, Devon, TQ9 5HN
Accountants	Darnells, Chartered Accountants, 30 Fore Street, Totnes, Devon TQ9 5RP
Bankers	The Co-operative Bank, PO Box 250, Skelmersdale WN8 6WT

Trustees' Report

Incorporating the Directors' Report for the year ended 31 March 2020.

The Trustees present their annual report and financial statements for the year ended 31 March 2020. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the 'Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102)' applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Transition is a movement of communities coming together to reimagine and rebuild our world. There are now Transition initiatives in fifty-five countries (2019: forty-eight countries). In these communities people are working together to create a low-carbon, socially-just, healthier and happier future, which is more enriching and more gentle on the earth than the way most of us live today.

Transition Network supports the Transition movement, amplifies stories of community-led change and nurtures collaborations across difference to challenge us all to reimagine and rebuild our world.

Transition Network is established as a company limited by guarantee and is registered as a charity.

1 Executive Summary

In 2019, we were responding to new waves of public awareness and activism around the climate crisis, including declarations of climate emergencies by national and local governments and other institutions. The global Covid-19 pandemic has now shone a spotlight on many of the vulnerabilities and inequities of our current system and on the potential and importance of community resilience and solidarity in times of crisis. It has also dramatically demonstrated our capacity to implement rapid change when a significant threat is widely understood to be imminent.

Transition Network's shared governance model coupled with our familiarity with online meetings supported the organisation to pause, reflect, adjust and respond relatively quickly to the new constraints, needs and possibilities created by Covid-19. More broadly, the capacity, structures and connections that we have nurtured internationally have supported initial collaborative responses on which we plan to build in the weeks and months to come.

During the year:

- We designed and encouraged spaces for creative and collaborative explorations of the current global context and potential futures. In particular, we ran a Pop Up Tomorrow campaign during autumn 2019 which highlighted the need for us to imagine dramatically different responses to the interlinked climate, ecological, social and democratic crises we face.

- We worked with a new range of partners to develop and deliver the Dive Deep and Dream Big project exploring meaningful change at the municipal level of scale, with a central event in Brussels in March 2020. This proved a fascinating but challenging process, providing us with rich learning, some moving, even transformational, moments, and some strong relationships on which to build.
- We have continued to develop the Municipalities in Transition project, with new funding and a new focus on training tutors to work with community-municipality collaborations. The project has published and updated its methodology, and is continuing to create spaces for international connection with its active community of practice.
- Our work establishing collaborative social infrastructure with Transition Hubs and others, moved into a new phase this year, with new roles and structures set up and being energised. The Hubs Group Heart Circle is now created and has started to work. We have appointed a Training Coordination Group with trainers from four different countries, working on a first phase of connecting and surveying to re-energise training for Transition. And plans to deliver an extensive and innovative Transformative Conflict Programme are now well underway.
- We ran a development phase towards a 4 year programme of capacity-building and Hub development in England and Wales, for application to the National Lottery Community Fund. The Covid-19 crisis prompted a pause in the process, with a temporary switch to a proposal to help communities respond to and rebuild from the Covid-19 crisis.

2 Our objects

The Charity's objects are to promote the conservation, protection and improvement of the natural environment and prudent use of natural resources for the benefit of the public, by advancing education and raising awareness of climate change, resource scarcity, peak oil and economic resilience.

It aims to promote individual, community and organisational commitment to a reduction in carbon dioxide emissions, energy saving, reducing reliance upon carbon emitting energy sources and increasing resilience to resource scarcity.

It aims to promote sustainable development for the public benefit by the preservation, conservation and protection of the environment and the prudent use of natural resources.

It also aims to promote sustainable means of achieving economic development and regeneration in order to reduce reliance on scarce resources including oil.

Our current organisational Purpose is:

Transition Network supports the Transition movement, amplifies stories of community-led change, and nurtures collaborations across difference to challenge us all to reimagine and rebuild our world.

Transition Network works in service to the international movement of self-organising Transition groups and Transition Hubs, and others who are creating community-led change for a sustainable and just future founded on wellbeing. From our place within the movement, we encourage Transition to spread and evolve. We facilitate the sharing of inspiration and learning, identify common needs and exciting possibilities, and curate and develop tools, training and resources. We cultivate peer-to-peer support and build capacity across the movement.

We are learning to embody and integrate the inner dimension of Transition in all that we do, and commit to the love, beauty, passion, playfulness and courage so needed in these times. We are nurturing healthy collaborative group cultures rooted in caring for, and connecting with, ourselves, each other and the natural world.

We aim to make Transition more visible, creating opportunities for diverse Transition stories to be shared, to show that a shift to a more equitable and healthy culture is possible. We seek to understand the impact and potential of Transition. We amplify these stories to engage those who are new to Transition, empower those already involved, encourage more participative and holistic decision-making to support community-led change, and attract resources into the movement.

We look for ways to collaborate across and beyond the Transition movement, and to support others to connect and collaborate. We support and co-design emerging approaches that reimagine and rebuild a compassionate culture within resource limits, beyond the norms of the industrial growth system.

We experiment with and cross-fertilise ideas to help Transition become more diverse and to respond to changing contexts. We recognise that power and privilege shape our behaviour, as much as they shape the behaviour of the wider world. We actively commit to addressing this, and particularly to welcoming, listening, and responding to marginalised voices within and beyond the movement. In the way that we work, as much as in what we do, we aim to bring people together, to help us to connect

with our longing for a better future and our sense of interdependence. We speak from the heart to highlight alternatives to unsustainable systems and challenge assumptions.

Transition Network is a support organisation to the international Transition Hubs Group and is exploring with that network how to develop new models of leadership, share power and resources, and collaborate across distance. In England and Wales, we are working with Transitioners to develop grassroots-led Hubs with the capacity to catalyse and support Transition in this territory and connect to the wider international network.

3 Activities, achievements and performance

Transition Network sets its Key Areas of Focus each year, and in 2019 our Key Areas of Focus were:

1. Energising collaborative explorations of, and responses to, the changing global context.
2. Focusing on the municipal level of scale, exploring how to support bold, imaginative and meaningful shifts.
3. Working with, and in support of, Hubsters and others to build capacity and develop collaborative social infrastructure.
4. In the way we approach and deliver on these Areas of Focus, we'll develop, through listening and sharing, our understanding of how we do things and why.

This report will cover activities, achievement and performance under each Area of Focus, and then other work towards our Purpose. We will then take a look ahead to the new Areas of Focus agreed in January 2020 for our work in 2020.

3.1 Energising collaborative explorations of, and responses to, the changing global context

Our understanding of the 'global context' was informed by, although not limited to, the intersection between climate and ecological crises and a crisis of democracy. In 2019 there were new waves of public awareness and activism (including Extinction Rebellion and Climate Strikes), declarations of climate emergencies by local and national governments and other institutions in a number of countries, and a growing interest in the local/municipal scale as a level where people can meaningfully affect change.

Our highest profile piece of work under this area of focus was Pop Up Tomorrow in October 2019, which offered 'imagination' as a response to, and tool to explore, the current global context, with an additional intention to build connections with different people and movements. A resource guide and invitation was shared with the Transition movement (and beyond) to organise local Pop Up Tomorrow events during a week in October. We know of nine Pop Up Tomorrow events that were hosted in Australia, England, Germany, Portugal and Wales.

We collaborated with individuals from London based Transition groups to create an immersive flagship Pop Up Tomorrow event in London. Over 150 people (many representing different groups and organisations, particularly Transition and XR groups) attended the event in London. While Rob Hopkins' book *From What Is to What If?* was a personal project rather than a Transition Network publication, the key theme of imagination and #WhatIf informed and fed Pop Up Tomorrow, some of our website content and broader communication on social media.

We also funded and supported the Transition US Building Bridges online dialogues. Transition US saw a need, in this current global context, to develop the tools and ability to connect with allies outside of

the Transition movement and work in solidarity with frontline communities. An online dialogue series was developed collaboratively by Inner Resilience Network, Transition US, Transition Network and Common Ground Networks. Transition Network helped to shape the framing of these conversations, for example, what work do we need to do on ourselves to become better allies of each other, particularly around social justice issues.

In general through our social media and communications work, we have responded to the changing global context by sharing stories and ideas from beyond the Transition movement that catalyse and bring different perspectives and information to questions about where the movement fits within the broader ecology of social change.

3.2 Focusing on the municipal level of scale, exploring how to support bold, imaginative and meaningful shifts

Diving Deep and Dreaming Big: supporting break-through change at the municipal scale

Diving Deep and Dreaming Big was a short term collaborative project initiated by Transition Network to support innovative and inclusive approaches at the municipal scale. A main event took place in Brussels in early March 2020, with a high proportion of activists, academics and community practitioners. Unfortunately the Covid-19 pandemic was beginning to take hold in Europe as we prepared to gather in Brussels, and a number of people who were due to attend the event, including politicians and officials from local and regional governments around Brussels, were not able to do so because of the Covid-19 crisis.

Despite this, the event brought together people with different worldviews, expectations of the future and experience of innovative ways of working. Some interesting and important issues and possibilities were explored. It provided us with rich learning and some moving, even transformational, moments. Of those who responded to the evaluation, 90% described the event as a changing experience and have stated that they will find it useful in their lives. Interestingly, the small number of participants from municipalities, enterprises and other more mainstream organisations were amongst the most positive about the transformational nature of the experience and the impact on their work.

Municipalities in Transition

The Municipalities in Transition project is run by an international team drawn primarily from the Hubs, supported by Transition Network. The six pilot communities of the Municipalities in Transition project were testing the draft system /framework from March 2018 to mid 2019. The system aims to facilitate the creation of deep cultural and practical changes towards sustainability and wellbeing.

The process brings representatives from the municipality and from community groups together into a meaningful collaboration. A “grid” of actors in the community and different domains of actions is used to build up a picture of what is already there in the community that is working towards systemic change for sustainability, and to assess where in that picture might lie the gaps, opportunities and leverage points for change. Once identified, the municipality and community representatives co-design and co-deliver new actions or increase the ambition of existing work.

The learnings, feedback and recommendations from the pilots were incorporated into the new version of the Municipalities in Transition “System”. The intention is to spread the take up of the system

through trained Municipalities in Transition tutors who can guide and facilitate the collaboration and effective use of the method. Four of the pilot communities - Telheiras, Portugal; Vila Mariana, São Paulo, Brazil; Valsamoggia, Italy and Santorso, Italy - will continue into the new phase of the project, along with Municipality V of Rome. An initial trial Tutor Training of 11 individuals was held in Spain in February 2020.

The Municipalities in Transition community of practice continued to create online spaces for connection, inspiration and sharing of knowledge throughout 2019, accessed by Transitioners and aligned activists from Europe, Canada, South America and Australia working in or interested in the field of collaboration between municipalities and communities.

3.3 Working with, and in support of, Hubsters and others to build capacity and develop collaborative social infrastructure

The main areas where we wanted to establish collaborative social infrastructure with Transition Hubs and others moved into a new phase this year, with new roles and structures set up and being energised.

Hubs Group Heart Circle

The group of Transition Hubs worldwide has now co-designed and set up a Hubs Heart Circle, forming a new transnational team. The design was agreed by consent with Hubs Group representatives in summer 2019 and, in autumn 2019, people were elected or appointed to the roles in the Hubs Heart Circle. The Hubs Heart Circle members are drawn from the UK, Israel, Chile, Brazil, Japan, Germany, USA, Spain and Belgium.

Already, there have been small shifts to distribute power and responsibility previously held by the Hubs Coordinator to other members of the circle. It was very encouraging to see that the capacity developed in the Hubs Heart Circle and the wider Hubs Group enabled speedy and sensitive responses to the developing Covid-19 pandemic. The need to create spaces for online connection and reflection was identified at an early stage by Heart Circle members who collaborated with Transition Network staff to design and facilitate the Connecting Transition calls organised for 30 March 2020. Hubs Heart Circle members are playing a leading role in the next phase of this work.

Training Coordination Group

We have also distributed the coordination of training internationally. We worked with three Transition Trainers from different countries to recruit a new Training for Transition coordination circle, of trainers from the UK, Belgium, Chile and Brazil. This team is a creative way to distribute and decentralise the power of Transition Network in holding “training” and creates better shared governance.

The Training Coordination Circle started work in January 2020 and has risen to the challenge of collaborative working across countries, time zones, part-time days and more lately Covid-19 restrictions and subsequent childcare challenges. They created and sent out surveys for trainers, Hubs and training participants in four languages: English, Portuguese, Spanish and French. They had responses from 37 trainers, 77 training participants and 16 Hubs. A database of trainer contact details is being compiled and updated.

The information being gathered during this outreach phase is already informing design into the next stages, which will include pilot projects and activities to support trainers and increase training opportunities, including within a Covid-19 online context.

Transformative Conflict Programme

We responded to a request from the Hubs Group for support around dealing with conflict in groups by commissioning Nuno da Silva (Portugal) and Eva Schonveld (Scotland) to design and set up a Transformative Conflict Programme, called Coming Down to Earth, that ran from 15th June to 15th July 2020. The programme involved speakers and contributors including: Guy Burgess, Ana Rhodes, Alnoor Ladha, Adebayo Akomolafe, Charles Eisenstein, Jon Young, Elisabet Sahtouris, Manish Jain, Ellen Bermann, Fernando Garcia, Daniel Christian Wahl, Vanessa Andreotti, Claire Milne, Mary Alice Arthur, Bob Stilger, Starhawk, Gil Penha-Lopes, Dominic Barter, Madelanne Rust d'Eye, Ted J Rau, Ria Baeck, Deborah Benham and Jon Young, Don Hall, Alison Fornés, Stephanie Mines, Sophy Banks, Joe Brewer and Polly Hyslop.

England and Wales

Within England and Wales we aim to distribute roles and responsibilities towards the development of a grass-roots led Hub structure or structures. Since April 2019 we have been developing and consulting on a four year proposal to the UK National Lottery Community Fund to support regional connection and support, distribution of resources and the facilitation of Hub development in Britain. In early February 2020 we submitted the draft stage proposal, written in partnership with the Transition Scotland Hub. The process has provided good opportunities for feedback from, connection, discussion and inspiration with Transitioners in Britain. The Covid-19 crisis prompted a pause in the process, with a temporary switch to a proposal to help communities respond to and rebuild from the Covid-19 crisis.

Seed-funding for Transition Hubs

We again distributed seed-funding grants to Transition Hubs which provides a key role in capacity-building as well as supporting Transition around the world. This year in response to feedback we ran two rounds, in Spring 2019 and Autumn 2019, distributing around £46,000 in 20 grants to 13 Hubs.

In 2019/2020, around half of the Hubs seed-funding grants went to different forms of "Connecting" work. This included national gatherings - in-person, online or mixed - in Colombia, Chile, Australia and Austria. There was collaboration, such as the Paris Hub working in the Collectif pour la Transition Citoyenne network. Transition US did impressive work to contact all Transition groups and potential "mullers", and update their contacts and information.

Transition Austria ran an innovative blended gathering - a virtual conference, where people met to watch presentations on "climate emergency" via video bridge, and six simultaneous local workshops. Many of the other projects involved Communications, such as the Alter Nativas documentary developed by the Spanish Hub and Transition Japan's updated Transition Mini-Brochure.

Other innovative and interesting projects included Brazil's Local Entrepreneur Forum / Regional REconomy project. The Chilean Hub ran successful Transition Launch trainings in three new areas of the country. Transition Australia updated their Transition Streets resources and Italy developed their Cambia La Corrente (Change the Current) energy project.

3.4 In the way we approach and develop on these Areas of Focus, we'll develop, through listening and sharing, our understanding of how we do things and why

Transition Network conducted a period of internal review and external research (from academic and other sources) into theories, practices and frameworks which support societal change. An initial collation of practices core to Transition Network's methods has been created. This is helping us to better understand, deepen and make visible the ways we do things in order to create the change we want to see. This work is ongoing.

Our experience of using shared governance has become an important piece of our understanding of how we do things and why. In response to demand we have shared our experience of shared governance in talks, workshops and webinars to other groups and movements including 8 Shields, the Lush Spring prize, KR Foundation grantees, ECOLISE, a DRIFT and Energy Cities workshop, and the reinventing European NGOs conference.

3.5 Other work contributing to Transition Network's Purpose

Amplifying Stories

We increased our communications, sharing stories from the field and compelling ideas and examples, particularly via the website and via social media. As well as amplifying stories from the Transition movement, we have been focussing on using our social media platforms to locate Transition within the wider ecology of social change networks through sharing stories of community-led change from other organisations and movements. We have also been working to broaden the 'echo chamber' that Transition is located within - following and sharing from groups and change-makers who are often marginalised within environmental discourses in order to broaden our audience, participants and future collaborators.

Nurturing Collaborations

Two members of staff, Sarah McAdam and Deborah Benham, joined the Boundless Roots Community, an enquiry group for Sustainable Behaviour Change practitioners, with a focus on creating deep and radical responses to the climate emergency. Pilot projects are under development with Transition Network input, including one Deborah Benham is co-leading, to engage mainstream cultural influencers involved in creating the current cultural narrative, in worldview shift and associated change in their external messaging. This has been trialled successfully in the advertising field by The Comms Lab, who are also involved in this project.

We continue to engage with ECOLISE (the European network for community-led initiatives on climate change and sustainability), including participating online in the ECOLISE General Assemblies. In autumn 2019 Sarah McAdam attended the C40 Global Mayors Summit in Copenhagen, and ECOLISE's UrbanA event in Rotterdam.

Supporting the Movement

Through the Hubs Coordinator, we continue to support the emergence and development of Hubs around the world, most recently potential new Hubs in Northern France and Finland and the officialisation of the Swiss Hub. The Hubs Coordinator also responds to requests from Hubs for support as they process internal conflicts (recently including Mexico, Chile and Belgium). She supports

many others around the world to think creatively about supporting Transition in their country, and to explore how best to respond to their local context.

We kept the regional connection work alive in England and Wales, and responded to needs by working closely with groups in six English regions to develop a Great Invitation project, supporting local Transition groups to respond positively to the increasing visibility within public debate of the realities of species extinction, climate emergency and social and economic injustice. We co-designed a leaflet to be used flexibly to promote local projects and other activities and helping people to host events in their area which position the Transition movement as complementary to Extinction Rebellion protests, School Strikes and declarations of climate emergency.

Involvement of volunteers

Most Transition groups and Hubs are volunteer-based and the Transition movement is based on community-led approaches, which in most cases involve volunteers. Transition Network does not have any volunteers within its “staff team” but we collaborate closely, in many projects and areas of work, with volunteers from Transition Hubs and Transition groups.

3.6 Plans for future periods

Our future plans were influenced by listening to, and taking account of, feedback. We collected informal feedback on each of our key areas of focus and aspects of our organisational purpose, with a range of reflection on what we have learned during the course of our recent work. The new key areas of focus for 2020 reflect some of the implications and understandings of that evaluation.

Key Areas of Focus in 2020

1. Nurturing reflections, responses and solutions to interlinked global crises and strengthening and amplifying forms of community resilience that are rooted in social and environmental justice.

The Transition Network team is currently involved in multiple conversations within and beyond the Transition movement about the shifting needs and new opportunities arising at this time - opportunities around shifting the narrative, highlighting the significance of community resilience and connection, and reframing the purpose of an economy.

We are particularly interested in how we might encourage and co-design creative, collaborative responses to enable people to imagine, and connect to their longing for, transformational change. We seek to (a) engage Transition groups and the wider sustainability and social justice networks in a larger conversation about changes needed as society moves on from the initial impacts of the Covid-19 crisis, and (b) strengthen and support the network of Transition groups and community led climate action initiatives to respond to the Covid-19 crisis and develop community projects that rebuild to a more equitable, resilient and environmentally sustainable future.

2. Co-designing, sharing and energising leadership, resources and responsibilities with Transition Hubs.

This key area of focus brings together the varied ways in which we are sharing power, responsibility and resources across our distributed movement, seeking to build our collective resilience and develop stronger platforms for collaboration.

3. Better understanding our network and developing our networking tools for connection and resilience across our movement.

We frequently hear - for example in 2019's survey and engagement with people in British Transition groups - how much Transitioners gain support from feeling part of a wider movement, and from connection, conversation and sharing with their peers. We want to support Hubs and groups to engage with strengthening our collective connectivity and visibility as a movement.

We expect new work in this area to surface key questions about the impact and relevance of the Transition movement and about how our movement collaborates and connects with others within the broader ecosystem of social change.

4. In these three Areas of Focus and in our work generally, we will prioritise and retain capacity to:

- Follow through and maximise the impact of existing our work
- Develop and share our understanding of how we do things and why
- Support emergence, creativity and wellbeing across our team.

We will continue, and further develop, the Municipalities in Transition project, demonstrating the possibilities that arise when communities and municipalities engage in a collaborative transition towards a more sustainable future.

3.7 Grant-making Policy

Transition Network made many grants during the year, primarily to distribute financial support to Transition Hubs.

Seed-funding grants for Transition Hubs:

Only Transition Hubs are eligible for these grants. Full Transition Hubs can apply for funds to help them:

- Support Transition in their territory;
- Build the capacity of their Hub; or
- Network and share learning with other Hubs.

Emerging Hubs can only apply for networking and sharing learning with other Hubs.

We ask Hubs, if they are applying for more than one project, to rank them in priority order. We assess all first priority projects and only move on to assess second-priority projects if there is still funding allocation available after the first-priority decisions. This is to promote a good geographical distribution of resources.

Other criteria used to decide the allocation of seed-funding grants to Hubs included whether the project is either strong in strengthening the core work of the Hub, or strong in piloting an innovative idea. We assess the capacity of the Hub to successfully do the project, and prioritise projects that engage people in co-creation, collaboration or collective inspiration.

Municipalities in Transition grants:

Although no grants were given in the year for Municipalities in Transition, grants were given in 2018/19 to the organisations involved in the six Municipalities in Transition pilots. The criteria were to find places where Transition groups or community groups and the Municipality were ready to experiment with a collaborative project, and were able to agree to the activities, reporting requirements and timescales of the project. After written applications the project team held in-depth interviews with potential pilots to assess their suitability, availability and capacity to test the Municipalities in Transition System.

Other grants:

Transition Network also makes a grant to Réseau Transition to enable the organisation to provide the Hubs Coordinator role for the international Transition Hubs Group network. A grant was also given for re-energisation of Training for Transition.

4 Thank You to our Funders

We are immensely grateful to all of our funders who make our work possible and, through their support and vision, enable us to continue to support and inspire the Transition movement, and to explore and develop new approaches.

We thank wholeheartedly the following funders and donors, who have made the work outlined in this report possible:

- Our largest funder, a Foundation who wish to remain anonymous, to whom we are incredibly grateful for enabling us to support and stimulate a wealth of work around the world. They have been visionary in agreeing a new three-year grant programme from 2018, to nurture collaboration, amplify and support Transition internationally.
- The Tudor Trust for a grant to enable us to work on organisational development, to help us explore the next phase of Transition Network's evolution, which has made all the difference in enabling our shift to shared governance.
- KR Foundation for a very significant grant for Transition Network and the Transition Hubs group to take the Municipalities in Transition project to a next stage of scaling up, out and deep; and for a grant for the diving deep and dreaming big process to support change at the municipal scale.
- The National Lottery Community Fund UK Portfolio, for a development grant to co-design a proposal for work to strengthen regional connecting and peer support for Transition community groups in England, Wales and Scotland.
- Open Society Initiative for Europe, for an exciting grant to develop the Municipalities in Transition project, with a particular focus on Spain or Italy.
- Much appreciated donations from individuals.

On a small number of occasions Transition Network acts as a "charity conduit" to enable organisations and projects which are strongly aligned with our strategic aims, to access funding from charitable trusts. In 2019-2020 we continued to administer a grant from Fondation Charles Léopold Mayer pour le Progrès de l'Homme for the Real Economy Lab, strongly aligned to our REconomy work.

5 Financial Review of the Year

The Charity is primarily funded by grants. It also receives donations as well as income generated from the Charity's own charitable activities. Total income for the year ended 31 March 2020 was £716,178 (2019: £395,454). Restricted income, all of which came from grants, amounted to £708,615 (2019: £334,811) and unrestricted income amounted to £7,563 (2019: £60,643).

The most significant source of grant funding continues to be a Foundation, who wishes to remain anonymous, which funded £350,000 during the year (2019: £300,000). This grant supports a wide range of the Charity's activities and in particular its international work. KR Foundation's grant instalment of £189,472 (2019: £34,811) and the Open Society Initiative for Europe's grant of £54,847 (2019: £nil) are very significant sources of funding for the Municipalities in Transition project. The Big Lottery Fund provided a grant of £49,000 (2019: £nil) for the development phase of Transition Regional Connecting and Peer Support.

There was a significant decrease in unrestricted income because of the cessation of the annual donation from a donor, Roger Ross of Lots Road Auctions, whose final donation of £50,000 was received in the year 2018/19.

Total expenditure was £566,431 (2019: £601,078). There was a significant reduction in grant expenditure, which had been unusually high in 2018/19 due to grants paid to Municipalities in Transition pilots. Total staff costs increased by 18% (2019: 11% decrease), mainly because of an increase in the average number of employees during the year.

The amount of unrestricted general funds increased during the year to £121,803 at 31 March 2020 (2019: £114,240). The amount of restricted funds increased during the year to £172,061 at 31 March 2020 (2019: £29,877). The main reason for the increase in restricted funds was that some of the grant income for Municipalities in Transition had not been spent by the year end. Total funds held at 31 March 2020 amounted to £293,864 (2019: £144,117).

For Transition Network, the main financial effect of Covid-19 was that, after the year end, it affected funding applications to the National Lottery Community Fund, with a switch from an application to fund a 4 year project to a shorter proposal to help communities respond to and rebuild from the Covid-19 crisis.

Reserves Policy

The reserves policy seeks to balance the objective of spending income with the need to maintain the minimum level of reserves to ensure the Charity can continue its core activities and to provide time to adjust to a change in financial circumstances. Assets must be sufficient to enable the Charity to operate effectively, meet all of its legal obligations and cover any sums payable to staff should they be made redundant. The need to maintain free reserves is emphasized by the Charity's financial forecasts showing low levels of unrestricted income in future years.

In July 2020 the target level of free reserves was increased to £107,000, which equates to approximately four months' core running costs. At 31 March 2020 the amount of free reserves, calculated as being unrestricted funds excluding fixed assets, was £120,668 (2019: £112,846), which is slightly above the target level.

6 Structure, Governance and Management

Governing document

The Charity is incorporated as a company limited by guarantee, having no share capital (registered number 06135675). Under the provisions of Section 60 of the Companies Act 2006, the company is entitled to omit the word “Limited” from its name. It is governed by its Memorandum and Articles of Association. Trustees are all Directors of the company. In the event of the company being wound up the liability of the members is limited to £10 each.

Trustees

The Trustees serving during the year and since the year end were as follows:

Henry Owen (Co-Chair)	Henry coordinates the Community Action Groups Project Oxfordshire. He has an MSc. in Environmental Change and Management, and is involved with a number of local community initiatives and direct action campaigns.
Hilary Jennings (Co-Chair)	Co-founder of Transition Tooting, working in the cultural sector on projects encouraging creative responses to global challenges, Director of the Happy Museum Project and a coach and community mediator.
Peter Lefort (Treasurer)	Sector & Partnerships Lead for Cornwall Council’s Carbon Neutral Cornwall programme.
Joe Duggan	Co-Chair of Crystal Palace Transition Town since 2011. Co-founder of Transition London and South East Regional Hub. Former primary school teacher. Freelance facilitator and poet working in schools and community groups.
Anna Kavasna (appointed 14/2/20)	Research and Education Director of Global Ecovillage Network.
Chandra Vemury (appointed 14/2/20, resigned 24/6/20)	Director of a structural engineering consultancy. Former Chairman of Journey to Justice (a human rights charity).

The Trustee who stepped down in the year was as follows:

Clare L. Pavitt (resigned 31/3/20)	Working in equality, diversity and inclusion and organisational development, Clare is Principal Adviser EDI at Advance HE. Previous experience includes central and local government, broadcasting and the police service.
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Clare Pavitt, who stepped down from Transition Network in March 2020, had been a trustee since 2011, had played a significant role in the development of our organisation and had come to the end of her term of office.

During the year a trustee recruitment campaign was conducted, resulting in the appointment of two new trustees, Anna Kovasna and Chandra Vemury. In the summer of 2020 a treasurer recruitment campaign was conducted.

The members are Directors for the purpose of company law and Trustees for the purpose of charity law. All trustees are members of Transition Network's Primary Circle which has the following Purpose and Accountabilities:

Primary Circle Purpose: To connect to our evolving organisational purpose, agreeing and energising TN's strategic focus and overall governance model.

Accountabilities:

- To set and keep under review our evolutionary organisational purpose (ensuring alignment with the charity's objects as set out in TN's Memorandum of Association)
- To agree any changes to the organisational safety agreement
- To admit new members to the primary circle and/or make any changes to criteria for membership
- To agree any significant changes to TN's strategic framework, as determined by the strategy review role or other appropriate role
- To determine broad areas of focus for the organisation over the coming 12 months
- To elect the lead link of the Heart circle.

The day to day running of the charity is delegated by the primary circle to the lead link and heart circle. Trustees meet at least three times a year, to receive and approve Primary Circle decisions, and to focus on matters reserved to the trustees including financial performance and risk. The Trustees regularly review the composition of the group of Trustees and consider whether the skills, experience and diversity are effective for the good governance of the Charity. New Trustees are appointed following an application and interview process. One of the co-Chairs explains the role and responsibilities to new trustees.

Staff salaries for the year were set by a delegated HR Group of trustees Peter Lefort and Clare Pavitt and staff members Sarah McAdam and Amber Ponton. In January 2020 the Primary Circle of trustees and staff unanimously agreed a new salary structure, whereby in 2020/21 all employees moved to the same full-time equivalent salary, except that the person occupying the Heart Circle Lead Link role receives an additional stipend of £8,000 a year. Any cost of living increases and/or proposals to change the stipend arrangements will be agreed by the HR group annually and then referred to a trustees meeting for approval.

Risk management

Financial sustainability is the main financial risk for the Charity, which is dependent on a very small number of funders. Financial risk is managed by a regular review of budget projections. To manage risks associated with the delivery of strategic outcomes, at each trustee meeting the Trustees review progress in all strategic areas of the Charity's work.

Statement of Trustees' responsibilities

Company law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make sound judgements and estimates that are reasonable and prudent;

- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its operations.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Public Benefit

Transition Network is a public benefit entity. Charity trustees have a duty to develop strategic plans to ensure that we provide public benefit and achieve our objectives as set out in our governing document. These objectives are set out in section 2 of this report. We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Signed on behalf of the Trustees on 15th December 2020



Hilary Jennings
(Co-Chair of Trustees)

Independent Examiner's Report to the Trustees of Transition Network

I report to the Trustees on my examination of the financial statements of Transition Network for the year ended 31 March 2020 which are set out on pages 19 to 31.

Responsibilities and basis of report

As the Trustees of the Charity (and also its directors for the purpose of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

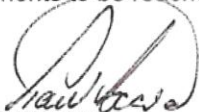
Having satisfied myself that the financial statements of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's financial statements carried out under section 145 of the Charities Act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

Independent examiner's statement

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

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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



P Beard ACA, FCCA
Darnells, Chartered Accountants
30 Fore Street
Totnes
Devon
TQ9 5RP

12th January 2021
Date

TRANSITION NETWORK

STATEMENT OF FINANCIAL ACTIVITIES

INCLUDING INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2020

	Note	Year to 31 March 2020			Year to 31 March 2019		
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		Funds	Funds	Funds	Funds	Funds	Funds
		£	£	£	£	£	£
Income from:							
Donations and grants	4	2,029	708,615	710,644	52,572	334,811	387,383
Charitable activities	5	5,534	-	5,534	8,071	-	8,071
Total income		<u>7,563</u>	<u>708,615</u>	<u>716,178</u>	<u>60,643</u>	<u>334,811</u>	<u>395,454</u>
Expenditure on:							
Raising funds	7	-	11,254	11,254	365	11,086	11,451
Charitable activities	8	-	555,177	555,177	7,364	582,263	589,627
Total expenditure		<u>-</u>	<u>566,431</u>	<u>566,431</u>	<u>7,729</u>	<u>593,349</u>	<u>601,078</u>
Net income/(expenditure)		7,563	142,184	149,747	52,914	(258,538)	(205,624)
Transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		7,563	142,184	149,747	52,914	(258,538)	(205,624)
Reconciliation of funds							
Total funds brought forward		114,240	29,877	144,117	61,326	288,415	349,741
Total funds carried forward	14	<u>121,803</u>	<u>172,061</u>	<u>293,864</u>	<u>114,240</u>	<u>29,877</u>	<u>144,117</u>

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

All income and expenditure derives from continuing activities.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

TRANSITION NETWORK

BALANCE SHEET

As at 31 March 2020

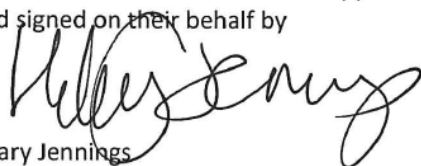
	Note	2020 £	2019 £
Fixed assets			
Tangible assets	9	<u>1,135</u>	<u>1,394</u>
		<u>1,135</u>	<u>1,394</u>
Current assets			
Debtors	10	2,415	42,261
Cash at bank and in hand		<u>376,848</u>	<u>157,613</u>
		<u>379,263</u>	<u>199,874</u>
Creditors: Amounts falling due within one year	11	(86,534)	(57,151)
Net current assets		<u>292,729</u>	<u>142,723</u>
Total net assets		<u>293,864</u>	<u>144,117</u>
Funds of the charity:			
Restricted funds	14	172,061	29,877
Unrestricted funds	14	<u>121,803</u>	<u>114,240</u>
Total funds		<u>293,864</u>	<u>144,117</u>

The company is entitled to the exemption from the audit requirements contained in section 477 of the Companies Act 2006 for the year ended 31 March 2020. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

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

These financial statements were approved by the Trustee Board on 15 December 2020 and signed on their behalf by



Hilary Jennings
Director and Co-Chair of Trustees

Company Registration Number: 06135675

TRANSITION NETWORK

STATEMENT OF CASH FLOWS

For the year ended 31 March 2020

		2020	2019
	Note	£	£
Cash flows from operating activities			
Net cash (used in) / provided by operating activities	a	<u>219,530</u>	<u>(216,554)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(295)</u>	-
Net cash provided by / (used in) investing activities		<u>(295)</u>	-
Change in cash and cash equivalents in the year		<u>219,235</u>	<u>(216,554)</u>
Cash and cash equivalents at the beginning of the year		<u>157,613</u>	<u>374,167</u>
Cash and cash equivalents at the end of the year	b	<u><u>376,848</u></u>	<u><u>157,613</u></u>

Notes

a Reconciliation of net income/(expenditure) to net cash flow from operating activities			
		2020	2019
		£	£
Net income / (expenditure) for the year		149,747	(205,624)
Add back depreciation charge		554	511
Decrease / (Increase) in debtors		39,846	(35,604)
Increase in creditors		<u>29,383</u>	<u>24,163</u>
Net cash provided by / (used in) operating activities		<u><u>219,530</u></u>	<u><u>(216,554)</u></u>
b Cash and cash equivalents consist of			
		2020	2019
		£	£
Cash at bank and in hand		<u>376,848</u>	<u>157,613</u>
Total cash and cash equivalents		<u><u>376,848</u></u>	<u><u>157,613</u></u>

TRANSITION NETWORK
Notes to the financial statements for the year ended 31 March 2020

1. Legal Status of the Charity

Transition Network is a charitable private company limited by guarantee incorporated in England and Wales and does not have a share capital. In the event of the company being wound up each member, or any person who has ceased to be a member within one year of the winding up, undertakes to contribute a sum not exceeding £10 if the company is insolvent. Its registered office is 43 Fore Street, Totnes, Devon TQ9 5HN.

2. Accounting Policies

Basis of preparation

Transition Network is a public benefit entity. The financial statements are prepared under the historical cost convention and are in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective January 2019), the Companies Act 2006 and the Charities SORP (FRS102) "Accounting and Reporting by Charities: Statement of Recommended Practice (FRS102) (effective 1 January 2019)" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

The financial statements are prepared on a going concern basis. There are no material uncertainties in respect of the charity's ability to continue as a going concern for the foreseeable future, based on latest financial forecasts. The accounts are prepared in sterling, which is the functional currency of the charity.

The principal accounting policies adopted in the preparation of the financial statements are as follows:

a) Incoming resources

Income is recognised and included in the accounts when all of the following criteria are met:

- the Charity is entitled to the income
- the amount can be measured reliably
- receipt of the income is considered probable
- any performance conditions attached to the income have been met or are fully within the control of the Charity.

b) Resources expended

Resources expended are recognised in the Statement of Financial Activities (SOFA) on an accruals basis as the liability is incurred. Expenditure includes VAT, which cannot be recovered as the Charity is not registered for VAT.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the reporting accountant's fees and costs linked to the strategic management of the Charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis e.g. staff time or estimated usage.

c) Termination payments

The Charity recognises termination payments when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination payments as a result of an offer made to encourage voluntary redundancy.

TRANSITION NETWORK

Notes to the financial statements for the year ended 31 March 2020

d) Tangible fixed assets and depreciation

Tangible fixed assets are included at cost less accumulated depreciation. Depreciation is provided at the following rates in order to write off assets over their estimated useful lives:

Fixtures, fittings and equipment	15% of cost
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e) Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

f) Fund accounting

Funds held by the charitable company are either:

Unrestricted general funds – these funds can be used in furtherance of any of the purposes of the charity.

Restricted funds – these funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when funds are raised for a specific purpose.

g) Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to income and expense account.

h) Debtors

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

i) Cash at bank and in hand

Cash at bank and in hand includes cash at cash handling organisations through which the charity receives money.

j) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

3. Net income for the year

	2020	2019
	£	£
Net income for the year is stated after charging:		
Depreciation of tangible assets	554	511
Independent examiner's fee	732	732
Other fees payable to the Independent Examiner	734	1,754
	<u>734</u>	<u>1,754</u>

TRANSITION NETWORK
Notes to the financial statements for the year ended 31 March 2020

4. Donations and grants

	2020	2020	2020	2019	2019	2019
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Donations from individuals:						
Roger Ross	-	-	-	50,000	-	50,000
Various general donations	2,029	-	2,029	2,572	-	2,572
	<u>2,029</u>	<u>-</u>	<u>2,029</u>	<u>52,572</u>	<u>-</u>	<u>52,572</u>
Grants:						
An anonymous Foundation (Nurturing Collaboration, Amplifying and Supporting Transition Internationally)	-	350,000	350,000	-	300,000	300,000
KR Foundation (Municipalities in Transition)	-	189,472	189,472	-	34,811	34,811
KR Foundation (Diving Deep and Dreaming Big)	-	30,296	30,296	-	-	-
Open Society Initiative for Europe (Municipalities in Transition)	-	54,847	54,847	-	-	-
Big Lottery Fund (Transition Regional Connecting and Peer Support – Development Phase)	-	49,000	49,000	-	-	-
Tudor Trust (Deepening and Sharing Experience of Transformative Governance)	-	35,000	35,000	-	-	-
	<u>-</u>	<u>708,615</u>	<u>708,615</u>	<u>-</u>	<u>334,811</u>	<u>334,811</u>
Total donations and grants	<u>2,029</u>	<u>708,615</u>	<u>710,644</u>	<u>52,572</u>	<u>334,811</u>	<u>387,383</u>

TRANSITION NETWORK
Notes to the financial statements for the year ended 31 March 2020

5. Income from charitable activities

	2020	2020	2020	2019	2019	2019
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Training	-	-	-	398	-	398
Talks and presentations	859	-	859	4,347	-	4,347
Events	1,273	-	1,273	-	-	-
Film screenings	2,860	-	2,860	3,207	-	3,207
Film sales	-	-	-	20	-	20
Royalties and book sales	542	-	542	81	-	81
Sundry income	-	-	-	18	-	18
	<u>5,534</u>	<u>-</u>	<u>5,534</u>	<u>8,071</u>	<u>-</u>	<u>8,071</u>

6. Taxation

The Charity is exempt from corporation tax on income falling within section 505 of the Taxes Act 1988 to the extent that this is applied to its charitable objects.

7. Expenditure on raising funds

	2020	2020	2020	2019	2019	2019
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Staff costs	-	11,254	11,254	-	11,086	11,086
Travel and other costs	-	-	-	365	-	365
	<u>-</u>	<u>11,254</u>	<u>11,254</u>	<u>365</u>	<u>11,086</u>	<u>11,451</u>

TRANSITION NETWORK
Notes to the financial statements for the year ended 31 March 2020

8. Expenditure on charitable activities

	2020	2020	2020	2019	2019	2019
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Activities undertaken directly						
Amplifying Stories	-	7,792	7,792	-	19,927	19,927
Website and IT	-	13,534	13,534	95	13,705	13,800
Talks costs	-	358	358	2,019	-	2,019
"Demain" film costs	-	1,402	1,402	2,412	-	2,412
Books and royalties	-	363	363	-	-	-
Project work	-	846	846	-	300	300
Supporting Transition initiatives						
and regional support	-	21,706	21,706	-	4,679	4,679
Inner Transition	-	-	-	-	611	611
Transition Training	-	20,302	20,302	-	400	400
Transition Health Check	-	-	-	-	4,616	4,616
Collaborations	-	2,146	2,146	-	1,205	1,205
Municipalities in Transition	-	88,565	88,565	-	103,792	103,792
Diving Deep and Dreaming Big	-	45,349	45,349	-	-	-
National Hubs Co-ordinator	-	-	-	-	31,567	31,567
Hubs Heart Circle	-	290	290	-	-	-
Transformative conflict						
programme	-	8,400	8,400	-	-	-
Strategy Framework and						
organisational development	-	12,421	12,421	-	22,228	22,228
Staff costs	-	211,839	211,839	-	177,635	177,635
Freelance contractor	-	5,801	5,801	-	-	-
	-	441,114	441,114	4,526	380,665	385,191
Support costs						
Travelling and subsistence	-	4,231	4,231	-	4,626	4,626
Rent and rates	-	5,222	5,222	-	5,205	5,205
Office expenses	-	4,715	4,715	882	4,879	5,761
Coaching and recruitment	-	1,790	1,790	-	-	-
Paypal fees and bank charges	-	249	249	245	-	245
Exchange differences	-	470	470	-	-	-
Depreciation	-	554	554	511	-	511
	-	17,231	17,231	1,638	14,710	16,348
Governance costs						
Trustee meeting expenses	-	522	522	834	278	1,112
Independent Examination fee	-	732	732	366	366	732
Fees to the Independent						
Examiner for other services	-	734	734	-	1,754	1,754
	-	1,988	1,988	1,200	2,398	3,598

TRANSITION NETWORK
Notes to the financial statements for the year ended 31 March 2020

8. Expenditure on charitable activities (continued)

	2020	2020	2020	2019	2019	2019
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Total activities undertaken directly including support and governance costs	-	460,333	460,333	7,364	397,773	405,137
Grant funding of activities						
Analysis of grants to institutions						
Various seed-funding grants to						
Transition Hubs	-	46,141	46,141	-	36,536	36,536
Transition US for online summit -						
Reaching Across Divides	-	2,625	2,625	-	-	-
Transition Brasil for web-series about						
women in Transition	-	-	-	-	1,258	1,258
Réseau Transition for the Hubs Coordinator	-	32,446	32,446	-	-	-
Réseau Transition for re-energisation						
of Training for Transition	-	9,500	9,500	-	-	-
Real Economy Lab	-	4,132	4,132	-	-	-
Municipalities in Transition ("MiT") pilot grants paid to:						
Cob Social Innovation for Valsamoggia						
and Santorso, Italy	-	-	-	-	39,746	39,746
Resilience Earth and ADRINOC for						
La Garrotxa, Spain	-	-	-	-	39,209	39,209
Associação Viver Telheiras - Centro de						
Convergência de Telheiras	-	-	-	-	40,275	40,275
Védegylet Egyesület for						
Wekerle, Hungary	-	-	-	-	13,324	13,324
Instituto Ecobairro Brasil	-	-	-	-	13,572	13,572
MiT harvesting grants	-	-	-	-	570	570
Total grants to institutions	-	94,844	94,844	-	184,490	184,490
Grants to individuals						
Grants to various individuals	-	-	-	-	-	-
Total grants	-	94,844	94,844	-	184,490	184,490
Total expenditure on charitable activities	-	555,177	555,177	7,364	582,263	589,627

TRANSITION NETWORK
Notes to the financial statements for the year ended 31 March 2020

9. Tangible fixed assets

	Fixtures, fittings, and equipment £
Cost	
At 1 April 2019	9,284
Additions	295
Disposals	<u>2,480</u>
At 31 March 2020	<u>7,099</u>
Depreciation	
At 1 April 2019	7,890
Charge for year	554
Disposals	<u>2,480</u>
At 31 March 2020	<u>5,964</u>
Net book value	
At 31 March 2020	<u><u>1,135</u></u>
At 31 March 2019	<u><u>1,394</u></u>

10. Debtors

	2020 £	2019 £
Trade debtors	-	-
Other debtors	-	5,456
Prepayments and accrued income	<u>2,415</u>	<u>36,805</u>
	<u><u>2,415</u></u>	<u><u>42,261</u></u>

TRANSITION NETWORK
Notes to the financial statements for the year ended 31 March 2020

11. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	23,089	33,863
Other creditors	1,480	2,542
Taxation and social security	3,599	5,168
Accruals for grants payable	9,500	5,275
Accruals	48,866	10,303
	<u>86,534</u>	<u>57,151</u>

12. Trustees and employees

Number of employees

The average number of employees during the year was ten part time staff (2019: nine part time staff).

Employment costs

	2020	2019
	£	£
Salaries	205,271	175,972
Social security costs	13,529	10,390
Defined contribution pension scheme contributions	4,293	2,359
Total staff costs	<u>223,093</u>	<u>188,721</u>

There were no employees with emoluments over £60,000.

Four Trustees (2019: 4) were reimbursed expenses totalling £522 during the year (2019: £820), all of which was in respect of travel and subsistence. None of the Trustees, nor any persons connected with them, received any remuneration from the Charity in the year (2019: £nil). One of the Trustees (2019: none) received payment of £150 for services supplied to the Charity (2019: £nil), details of which are shown in note 16.

13. Analysis of net assets between funds

	Tangible fixed assets £	Net current assets £	Total £
Unrestricted funds	1,135	120,668	121,803
Restricted funds	-	172,061	172,061
Total funds as at 31 March 2020	<u>1,135</u>	<u>292,729</u>	<u>293,864</u>

TRANSITION NETWORK

Notes to the financial statements for the year ended 31 March 2020

14. Summary of movement in funds

The specific purposes for which the restricted funds are to be applied are as follows:

Restricted Funds	Purpose of funding
An anonymous Foundation	Nurturing collaboration, amplifying and supporting Transition internationally
Municipalities in Transition (KR Foundation)	Scaling up, out and deep the Municipalities in Transition System
Diving Deep and Dreaming Big (KR Foundation)	Supporting innovative, break-through change at the municipal scale
Municipalities in Transition (Open Society Initiative for Europe)	Developing the Municipalities in Transition framework for civil society and municipality collaboration
Transition Regional Connecting and Peer Support – Development Phase (Big Lottery Fund)	Establishing what is needed to strengthen regional connections and peer support for Transition groups in England, Wales and Scotland
Deepening and Sharing Experience of Transformative Governance (Tudor Trust)	Developing the shared governance model
Real Economy Lab (Fondation Charles Léopold Mayer pour le Progrès de l'Homme)	Acting as a charity conduit for a project to develop a vision for alternative economics in a low-carbon world
Transition Research Network	To further the work of the Transition Research Network, an informal network to support research.

	Opening balance £	Incoming resources £	Outgoing resources £	Closing balance £
Restricted funds				
Nurturing Collaboration, Amplifying and Supporting Transition Internationally (An anonymous Foundation)	13,863	350,000	343,863	20,000
Municipalities in Transition (KR Foundation)	-	189,472	64,213	125,259
Diving Deep and Dreaming Big (KR Foundation)	-	30,296	30,296	-
Municipalities in Transition (Open Society Initiative for Europe)	-	54,847	46,614	8,233
Transition Regional Connecting and Peer Support – Development Phase (Big Lottery Fund)	-	49,000	46,094	2,906
Deepening and Sharing Experience of Transformative Governance (Tudor Trust)	-	35,000	30,372	4,628
Real Economy Lab (Fondation Charles Léopold Mayer pour le Progrès de l'Homme)	12,400	-	4,979	7,421
Transition Research Network	3,914	-	300	3,614
	<u>29,877</u>	<u>708,615</u>	<u>566,431</u>	<u>172,061</u>
Unrestricted funds				
General	<u>114,240</u>	<u>7,563</u>	<u>-</u>	<u>121,803</u>

TRANSITION NETWORK
Notes to the financial statements for the year ended 31 March 2020

15. Financial commitments

At 31 March 2020 the future minimum lease payments under non-cancellable operating leases is as follows:

	2020	2019
	£	£
Operating leases due:		
Within one year	<u>1,495</u>	<u>1,100</u>

16. Related party transactions

Expenditure and accruals include £150 (2019: nil) paid after the year end to Joseph Duggan, a trustee, for his work carrying out a community consultation and write-up. This was part of the development phase for regional connecting and peer support. The amount of this fee was the same as the amount paid to other consultants for similar work.

17. Financial instruments

	2020	2019
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>-</u>	<u>-</u>
Financial liabilities measured at amortised cost	<u>82,935</u>	<u>51,983</u>