

ANNUAL REPORT

2019/20

COMPANY NUMBER: 867944
CHARITY NUMBER: 270901



INTRODUCTION

The report and accounts for the 12 months ended 31 August 2020 have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' 2019 (Financial Reporting Standard 102), and the Companies Act 2006.

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CHAIR'S REPORT

This has been an extraordinary year in education the world over. 1.6 billion learners have faced disruption to their education as the pandemic has forced schools to close and lessons, where possible, have been provided remotely, supported by whatever technology has – or has not – been available. Education policymakers, teachers, pupils and parents have faced challenges on a scale never seen before.

Throughout this time, we have focused our world-leading research to lead thinking on how best to continue – and restart – education through the crisis. Around the world, our researchers and consultants have fed into leading global institutions, such as the newly created EdTech Hub research partnership, to build up the global knowledge base on remote pedagogy and education in emergencies. And even as our research has shown the importance of leading with an adaptive mindset, of sustaining teacher presence and high-quality teaching in student's lives, and of the vital role school leaders have in galvanising community support for remote learning initiatives, so we have ourselves been putting these principles into practice in our own programmes and schools around the world.

This has translated into real impact that makes a tangible difference to individuals' lives. In Kenya, vulnerable girls have been able to continue learning as our teams rapidly adapted to distribute essential education materials. In England, our Careers teams have helped thousands of people whose livelihoods have been impacted by the pandemic. In Lebanon, we have continued to help teachers of Syrian refugee children to improve their skills, despite political upheaval and the ongoing pandemic.

This year, the importance of technology in education – and of low-tech and no-tech 'safety nets' – has become more clearly apparent than ever. We have seen this in our research as well as in the services we have delivered. In our UK independent schools, we were able to ensure that all children were equipped with laptops to enable creative remote learning. In Rwanda, our Building Learning Foundations team helped to develop radio broadcast lessons, making home learning accessible to millions of children.

So, despite the disruption of Covid-19, we have made many remarkable achievements. Over the last year, we have reached 2.4 million learners and 96,500 education practitioners worldwide – 100,000 more learners and 500 more educators than in 2018/19. We have also reached over 80,000 young people in the UK through our world-class careers and enrichment services. We have also launched and piloted exciting new programmes: in Ethiopia, we supported over 400 school leaders through the Covid-19 crisis, while in London, our Apprenticeship Knowledge and Support apprenticeship careers programme successfully completed its pilot year. In June, we were commissioned by UNICEF to help the Jordanian Ministry of Education develop and launch an innovative blended learning programme, Learning Bridges, which will reach over a million learners.

In a year which has seen inequalities so vividly exposed, our programmes and interventions are the most powerful tool that we have to positively impact the lives of those in disadvantaged groups. Internally too, we have increased our focus on inclusion and diversity in all that we do. We have established a new global task force to focus on inclusion across all its dimensions and I am looking forward to seeing its work coming through to strengthen every aspect of our organisation.

I am incredibly proud of what our people have achieved in such an exceptional year. I give my heartfelt thanks to them for their expertise, enthusiasm and dedication. My thanks too to excellent partners and stakeholders around the world for their support. As the world emerges from the pandemic and looks to the still wider challenges of this century, education will be more important than ever. At Education Development Trust, we will continue to champion our mission – improving education to transform lives around the world.

Ilse Howling
Chair of Trustees, Education Development Trust

1 OBJECTIVES AND ACTIVITIES IN 2019/20

1.1 VISION, MISSION AND VALUES

Our principal objective, as defined in our Articles of Association, is *to advance education for the public benefit*.

Our **vision** is a world where everyone's life is transformed through excellent education.

Our **mission** is to provide evidence-based sustainable solutions that transform lives through education.

We believe in the power of education to help individuals to fulfil their potential and benefit society. In conducting our work, we seek to embody four core **values**:

- **Excellence** in learning outcomes, our people and our solutions.
- **Accountability** through rigorous and transparent assessment of our performance.
- **Integrity** in the way we build trust and bring purpose to our work.
- **Collaboration** by working together across teams and in partnership with clients and customers to build capacity.

1.2 ORGANISATIONAL OBJECTIVES 2019/20

In 2019/20, the second year of our three-year strategic plan, our three operating groups aimed to progress the following objectives.

Education Services Group

- Ensure our core methods support successful business development; and improve the external visibility of our educational impact.
- Focus client engagement and deliver high-quality bids to achieve in-year new business targets; while positioning for longer-term opportunities.
- Mobilise our Technical Assistance to Reinforce General Education Quality Improvement Programme for Equity programme in Ethiopia, funded by the UK Foreign, Commonwealth and Development Office (FCDO) in Ethiopia and continue to deliver all our programmes to the highest standards, showcasing excellence in design and delivery at scale.
- Achieve outcomes and targets of the National Careers Service programme, funded by the Education and Skills Funding Agency.

Research and Consultancy

- Increase the visibility of our public research programme.
- Implement a new business model for consultancy.

Independent Schools Group

- Promote outstanding outcomes for our schools' students; and continue to support our schools with investment and responsive central services.

1.3 PUBLIC BENEFIT

Trustees have also given careful consideration to the Charity Commission's general guidance on public benefit and are satisfied that all of our work is for the public benefit. Our educational performance is summarised in the Strategic Report, and particularly in sections 2.4 to 2.5.

2 STRATEGIC REPORT

2.1 STRATEGY

This was the second year of our three-year strategy for 2018–21. The strategy document articulates our **strategic intent** to be world-leading in the design and delivery of high-impact, large-scale education change programmes and identifies the key areas for action for the three years starting in 2018/19.

2.2 WHO WE ARE AND WHAT WE DO

We are an organisation that changes lives for the better, providing millions of beneficiaries with enhanced opportunities to learn and to thrive. We make best global practice local, using both our understanding of ‘what works’ and deep knowledge of the contexts where we work. We are a business with charitable status and a strong social purpose. We are an international organisation, headquartered in the UK, which uses the UK as an innovation hub.

We will be well-known for excellence in five areas:

- The improvement of school systems at scale, with specific expertise in system change, accountability, teacher development, leadership development and school-to-school collaboration.
- The provision of employability and careers services.
- Our public domain / public benefit research programme.
- The ownership and management of a portfolio of private schools.
- Sponsorship of Anthem (an English multi-academy trust).

2.3 HOW WE WORK

During the period we were organised in three operating groups. The Education Services Group delivers programmes at scale. Our Research and Consultancy Group conducts our research and provides education consultancy services. The Independent Schools Group manages our private schools.

The key characteristics of our work are as follows:

1. Evidence-informed solutions: distinctive expertise in the reform and improvement of education systems, schools and careers guidance across the world.
2. Highly reliable implementation: efficient project management supported by excellent people, processes and technology.
3. A focus on impact: robust evaluation and measurement of outcomes using innovative approaches.
4. Excellent client engagement: responsive and proactive relationships with clients.

2.4 EDUCATIONAL IMPACT

Education Development Trust is an international not-for-profit organisation working to improve education outcomes around the world. We combine global research and our longstanding expertise with regional knowledge to inform education policy and practice and deliver programmes around the world. Through our work and expertise – which spans from early years education right through to post-school careers – we seek to strengthen education systems, transform teaching and learning, ensure effective transitions into work, and contribute to global responses to key education challenges.

We have been improving education around the world for over 50 years, and everything we do is underpinned by our values of excellence, integrity, accountability and collaboration. We develop

evidence-informed solutions – drawing on our continually refreshed body of research – to bring about real change, raise educational standards, and support global efforts to address learning crises and reduce inequalities of opportunity.

We improve national learning outcomes by informing education policy and putting our knowledge into action in our programmes and consultancy work. We work in varied contexts all over the world, in education systems as diverse as those in Brunei, Kenya, England, Rwanda and United Arab Emirates. This often includes challenging environments, hard-to-reach localities and marginalised communities where the need is greatest – not least in the context of the current global pandemic. In all the locations we work in, we use evidence-based methods to raise education standards, deliver innovation in schools, help teachers to improve their teaching quality, empower educators to effect sustainable and cost-effective transformation in their schools, and reduce disparities in educational outcomes.

We are a trusted partner of governments, academics and multilateral agencies across the globe. Our work helps to drive global understanding of education solutions, and we support global dialogues among international policymakers on education system improvement.

Our expert knowledge, programme design and implementation expertise are also deployed in delivering careers services in England rated outstanding by the Office for Standards in Education, Children's Services and Skills (Ofsted), and in owning and managing a family of independent schools, in which we put our knowledge about excellent teaching and learning into practice.

We also put our knowledge of what makes excellent education into practice in our ownership and management of our independent schools – Danesfield Manor School, Oakfield Preparatory School and St Andrew's School in the UK and International School of Cape Town in South Africa. While all very different in character, with unique identities as befit their strong roles in their local communities, all of our schools share deep-rooted common values and principles.

To achieve all this, we draw on our programme of public domain research that highlights 'what works' in education reform and we invest in research and development to create globally leading and innovative methodologies, helping to make government ambitions for better education systems a reality.

We are proud that the work we do has a tangible, positive impact across the world. Our work means that:

- Marginalised girls in Kenya have been able to continue learning throughout the Covid-19 pandemic.
- Syrian refugees are receiving an education in informal settlements.
- New teachers in England are receiving specialist professional development to improve their performance and retention rates.
- Primary school children in Rwanda are improving their numeracy and literacy outcomes.
- Adults in England are receiving specialist careers advice.
- Teachers in London are supported in their learning with and about technology.
- Schools in England are working together and helping each other on their school improvement journeys.

Overview

In 2019/20, we reached:

- 2.4 million learners, 100,000 more than we reached in 2018/19.

- 96,500 education practitioners working in 6,000 schools and 250 Technical and Vocational Education and Training and higher education institutions. We have extended our support to 400 more schools and over 500 more educators than in 2018/19.
- 800 system leaders, including representatives from 22 international non-governmental organisations and donor agencies.
- 808 partner organisations, with whom we collaborate in delivering our education services, all locally based, which helps us to build local capacities and leave sustainable impact. This is a growth from 722 partners the previous year.

UK

- 80,500 young people benefited from our careers and enrichment services in school and community settings. We also supported 1,750 educators through our careers programmes, and over 14,000 individuals during Covid-19 through the National Careers Service.
- Across all of our programmes in UK schools (including careers), we supported over 14,000 education professionals.
- Throughout the pandemic, we have developed an extensive selection of resources to assist remote and blended learning, delivered remote professional development for education practitioners, and facilitated virtual communities of practice for schools.

Rwanda

- We have been accelerating system-level reforms, including upskilling over 500 system leaders, more than 2,600 school leaders and nearly 34,000 primary teachers.
- We rapidly developed 38 radio lessons and established remote teacher learning communities to support learning continuity through the Covid-19 lockdown.

Kenya

- We help to improve learning outcomes and transition for 70,000 girls in arid and semi-arid lands and urban slums.
- We established remote teacher learning communities and developed a new model for education continuity, which has kept 91% of the vulnerable girls we work with in rural areas learning during the pandemic.

Ethiopia

- We launched a new programme, which will lead to improvements for 1.2 million learners.
- The FCDO Annual Review for Ethiopia scored an 'A'. Feedback from FCDO is that our Ethiopia Technical Assistance programme team made a significant contribution to this.
- During the Covid-19 crisis, we provided virtual coaching for education professionals and developed specialist training content for school leaders to support schools reopening.

Lebanon

- During the Covid-19 pandemic, we established virtual teacher learning communities among refugee teachers.

Jordan

- We provided support for online learning for the Ministry of Education's Education During Emergency Plan.
- We were commissioned to help launch an innovative blended learning programme, to help over 1 million learners to sustain and accelerate their learning while adjusting to blended learning, and help over 80,000 educators to develop skills in online teaching.

United Arab Emirates

- During the pandemic, we formed a new partnership for quality assuring and evaluating remote learning in 223 schools in Abu Dhabi.

Brunei

- Our 200 teachers worked directly in classrooms with over 13,500 learners in government schools.
- We helped 500 Bruneian teachers to develop their skills in Professional Learning Communities.

Our Covid-19 response

The global coronavirus pandemic disrupted education systems on an unprecedented scale, affecting almost 1.6 billion learners in more than 190 countries. School closures, remote learning, and reopening plans have created a host of new challenges for children and young people, as well as their teachers, parents and education leaders across the globe, while also exacerbating existing inequalities. National lockdowns and restrictions have also created challenges for our programme delivery and to the schools we own and run. However, in the face of such challenges, our people have demonstrated exceptional adaptability and responsiveness which have enabled us to continue to deliver our services, and to help ensure education continuity for children around the world.

We have made significant contributions to the global evidence base on remote learning and education in emergencies. Through our rapid turnaround research, we have generated new lessons on urgent priorities, highlighting 'what works' in remote and blended learning, education in emergencies, and schools reopening from global responses to Covid-19. As part of our responsive research, we have drawn on the latest international learnings and synthesised existing evidence to produce eight rapid-turnaround reports for the EdTech Hub, a new global non-profit research partnership supported by UK Aid and the World Bank, as well as commissioned research for the Knowledge, Evidence and Learning for Development Helpdesk, supported by UK Aid. We have also pivoted some strands of our research within our largest programmes to meet the need for immediate evidence in response to the pandemic: for example, in Rwanda and Ethiopia, we conducted rapid research to understand levels of technological capability and access for the purposes of remote learning.

We have adapted many aspects of our programme delivery due to Covid-19, working with local stakeholders to ensure we can continue to deliver key education services. In doing so, we have sought to make use of the most appropriate available technologies – and no-tech safety nets – to ensure continued education provision for the most vulnerable.

- In Rwanda, for example, our FCDO-funded Building Learning Foundations programme has supported learning continuity for millions of Primary 1 to Primary 3 pupils by developing 60 high-quality radio lessons, in partnership with the Rwanda Education Board and UNICEF.
- In Kenya, we redesigned the role of Community Health Volunteers to support learning during school closures, including by delivering paper-based study materials to the most vulnerable girls and facilitating feedback on their work.
- In the United Arab Emirates, we formed a new partnership with the Department of Education and Knowledge in Abu Dhabi for quality assuring and evaluating remote learning in 223 schools. In this fast-paced project, we mobilised and orientated a team of 24 school evaluators and quality assurance reviewers in just one week.

We have created new modes of professional development and coaching for teachers and education leaders. Throughout the pandemic, we have adapted our professional development offerings to create new models of remote provision, enabling education practitioners to continue to develop their skills despite national lockdowns and restrictions.

In our Building Learning Foundations programme in Rwanda and our Technical Assistance programme in Ethiopia, we have provided virtual coaching for education professionals by phone and using social media, while we have also established virtual teacher learning communities in Kenya, the UK and Lebanon. Our work with refugee teachers in Lebanon, in which we have developed a remote community of practice, is to be included in a database of UNESCO's International Institute for Educational Planning as a case study on the use of technology to support learning among refugee populations.

We have also worked specifically with school leaders to support them through this period of uncertainty. In Ethiopia, for example, we designed new specialist training content for school leaders to support schools reopening.

We rapidly pivoted our UK programmes to enable remote provision and support the educators we work with throughout the crisis. While Covid-19 has brought extraordinary challenges for schools, and necessitated new ways of working, our Schools Partnership Programme has enabled its 2,000 strong national peer review community to build on their collective capacities, adapting and learning in a virtual environment to tackle the most pressing issues together, at pace. Our Schools Partnership Programme Rapid Response is a blended model of peer review, supported by a growing suite of additional research-based enquiry frameworks specifically focusing on Covid-19 response and recovery at school level. 70% of the groups in the programme commented that their partnership has aided them in responding to the crisis and ongoing disruption.

“The core skills of the training, such as strategic thinking and evaluating evidence, have been particularly useful for leaders during Covid-19.”

JENNY AYLEN, FROM THE BARNET JUNIOR SCHOOL ALLIANCE

“I’m not sure how we’d have got through it without the collaboration.”

PAUL QUINTON, HEAD TEACHER, CAROLINE HASLETT PRIMARY SCHOOL IN MILTON KEYNES, DISCUSSING THE SCHOOLS PARTNERSHIP PROGRAMME

Moreover, in just a few short weeks, our Early Years Professional Development Programme (EYPDP) team converted all outstanding EYPDP practitioner training to virtual sessions, running over 150 sessions for 400 trainee Continuing Professional Development ‘Champions’. In addition, the EYPDP team produced a series of popular family-focused resources to help early years practitioners engage with families to best ensure children’s continued development.

“I have been working in this sector for well over 20 years and have a level 5, an honours degree and Early Years professional status and every session I learned something new and or came away with ideas to improve the practice of myself or my team.”

EARLY YEARS PROFESSIONAL DEVELOPMENT PROGRAMME PARTICIPANT

We have adapted our careers services to meet increased demand and the need for remote delivery models amid national economic disruption. In the UK, we rapidly pivoted our careers services to provide remote services amid the pandemic-related restrictions. The National Careers Service, delivered by Education Development Trust, has provided online and phone consultations to replace in-person appointments and has been using its extensive experience and labour market information to advise furloughed workers, as well as those affected by redundancies in an uncertain economic climate. During the first peak of the Covid-19 crisis, between April and August 2020, the National Careers Service supported over 14,000 individuals in the regions in which we are the prime contractor or key subcontractor.

In addition, the Apprenticeship Knowledge and Support programme launched a digital service in April to offer e-training, interactive sessions, online conferences and bespoke digital resources. 2019/20 was the pilot year for this programme, and despite the disruption of the pandemic, it reached almost 45,000 students across London. Across our careers services for schools, we have developed and delivered a series of virtual employer encounters for students in lockdown, including 25 Zoom-based online workshops and a virtual work experience programme.

"I liked the idea I could interact with great employers from the comfort of my home, gain an insight into the industries, gain valuable skills and be able write about both opportunities on my personal statement and CV."

YEAR 12 PUPIL PARTICIPANT OF A VIRTUAL WORK EXPERIENCE SESSION

Our school staff have worked exceptionally hard to ensure education continuity throughout the period of school closures. In the UK, in addition to securing individual laptops for pupils to enable creative remote learning, all three schools were able to reopen on 1 June 2020 to the vast majority of pupils – the first legal date at which they could do so. Pupil attendance on reopening was also significantly higher than the national average: 92% of pupils at Danesfield were back at school in the final week of June, and 88% of Oakfield students were back in the second week of July, compared to only 15.6% and 16.9% of regular pupils attending schools and colleges across the UK in the same weeks, respectively.

We have applied our research and consultancy expertise as part of the global response to Covid-19. Nearly half (44%) of all our research and consultancy projects this year were commissioned in response to the pandemic, and a further 20% responded by pivoting delivery and activities, adapting to support new client needs. Throughout the crisis, our research and consultancy teams have conducted extensive research with our partners to understand the challenge, produce rapid evidence briefings on a range of urgent priorities, highlighting 'what works' in emergency and remote education, and offering fast-turnaround research to support evidence-based policymaking across a variety of contexts.

We have developed new thinking on effective learning during the period of school reopening and beyond: our Learning Renewed framework.

The disruption of the pandemic, and our resultant research and programme responses have informed the development of new thinking. We developed a major think piece, *Learning Renewed: a safe way to reopen schools in the Global South* over the summer of 2020, ahead of its launch in September, as the first in a series of new reports. This Learning Renewed series reimagines what more effective, equitable and resilient education systems might look like in the wake of the pandemic. Such thinking is necessary – not only to reduce the risk posed by future outbreaks – but because a return to 'normal' will fail to solve the learning crisis that existed before the pandemic. In this new thinking, we propose a holistic vision of education, with strong community buy-in and support, which makes use of both appropriate technologies and a 'no-tech safety net'. Learning Renewed has already been featured and discussed at high-profile panel events with the Education Commission and UNESCO's International Institute for Educational Planning.

Case studies

Radio lessons in Rwanda

When schools in Rwanda closed in March, the Building Learnings Foundation team responded to the call of the Rwanda Education Board to support teaching and learning throughout the Covid-19 lockdown, using its knowledge and expertise to develop scripts for radio broadcast lessons, which reached over 2.6 million learners. Expert Building Learnings Foundation content developers produced 38 scripts for English and mathematics lessons for pupils in Primary 1 to Primary 3 grades, in collaboration with UNICEF and the Rwanda Education Board. The lessons, which were aligned with the national curriculum, aired on five radio stations every week, enabling children to learn at home in a context where few households could access high-tech learning solutions.

"I usually follow the radio every morning and learn together with my children... Radio learning has been very important during this lockdown and has kept the children busy with homework."

CHARLOTTE, A MOTHER OF THREE IN THE KICUKIRO DISTRICT, RWANDA

Connected Learning Centre

The Connected Learning Centre, part of Education Development Trust, has developed an extensive collection of resources to help teachers adapt to remote and blended learning, and to make the best use of technology in teaching. It has also supported teachers and school leaders with specially developed remote professional development sessions and virtual communities of practice, as well as helping them to implement digital strategies and utilise digital platforms in their schools. The Connected Learning Centre is also supporting children and their families with home-learning during the pandemic. This includes over 1,200 families in Lambeth with technical guidance under the UK government's 'laptop for parents' initiative.

The team used their online learning expertise to support the Jordanian Ministry of Education's Education During Emergency plan, including delivering training materials for teachers and headteachers, and providing an online safety course. The Connected Learning Centre also created a range of freely available online resources to support parents and caregivers in remote learning.

Learning Bridges, UNICEF Jordan

In Jordan, we have been commissioned alongside UNICEF to help the Jordanian Ministry of Education launch an innovative blended learning programme in response to the pandemic. This programme, Learning Bridges, will reach over 1 million learners and 80,000 teachers.

'The client has called the professional development course we developed a 'masterpiece', and it will reach an estimated 80,000 teachers. ...Our global knowledge report (capturing the latest findings and best practices related to education responses to the pandemic) was presented in three workshops for United Nations agencies and donors, ministry officials across the Middle East and North Africa region, and the Jordan Ministry of Education office to inform policy and programming.'

CONSULTANT'S REPORT ON THE UNICEF JORDAN LEARNING BRIDGES PROJECT

Improving school systems at scale

From direct-to-school school improvement initiatives to the shaping of government educational policy on a national scale, we effect change within school systems. We deliver transformational programmes and advise national, regional and local governments on education reform that leaves a lasting legacy of positive change. We have continued to effect change at scale even amid the disruption of the past year – and are proud of the progress we have made since 2018/19.

We are driving improvements in teacher and leader professional development. Teaching quality is the single biggest driver of student learning outcomes within a school environment. It is therefore hugely important to ensure that teacher professional development programmes are effective, and this is a core part of our work around the world. What's more, we believe teacher professional development will be an area of increasing importance – with even greater demand – in the context of Covid-19 and its aftermath. We have made an outstanding impact in this area, reaching almost 100,000 practitioners across our programmes.

Rwanda

Our work through the Building Learning Foundations programme has dramatically increased the number of teachers and headteachers meeting competency benchmarks in key areas.

In mathematics, only 22% of teachers in Rwanda were meeting these benchmarks in 2018 – and in English, just 12% were meeting this standard. By 2019, however, this had increased to 89% in mathematics and 63% in English.

Moreover, we have enabled more headteachers to improve their leadership skills. In February 2018, just 41% of headteachers were able to demonstrate competency in four key leadership standards. Following our intervention, by March 2020, 66% of headteachers were able to demonstrate these skills.

We have also built capacity in collaborative learning by increasing attendance of professional learning communities – 94% of Rwandan headteachers attended monthly professional learning communities as of February 2020, compared to 49% in June 2018.

'This year, Building Learnings Foundation has continued to deliver effectively nationwide, while managing a significant expansion and budget increase. Field visits confirmed the major contribution that Building Learnings Foundation has already made to primary teacher capacity nationwide. Key milestones for competency in teaching methodology have been exceeded and the benefits are already seen in improving learning outcomes in English.'

FCDO ANNUAL REVIEW ON THE LEARNING FOR ALL PROGRAMME, TO WHICH BUILDING LEARNINGS FOUNDATION PROVIDES TECHNICAL ASSISTANCE

Lebanon

We are helping refugee teachers to improve their proficiency and confidence in using English in the classroom.

In our Alexandria Schools Trust programme, we have worked with teachers of 1,500 Syrian refugee children – many of whom are refugees themselves – to improve their skills and confidence in using English as a medium of instruction, easing children's transitions into the Lebanese school system. Every teacher on the programme reported teaching their subject better in English, while 98% of participants felt more confident in doing so.

UK

Our professional development programmes continue to demonstrate excellent impact.

Our Accelerate programme, funded by the UK Department for Education, was completed in March 2020. Its end-line report showed that 93% of participants recorded an improvement in their teaching practices. 84% of participants reported a positive impact for their students, while 64% felt more able to use evaluation and research to enhance their teaching.

In addition, 100% of our Future Teaching Scholars who completed their initial teacher training in 2020 secured newly qualified teacher roles for this year. This is a particularly significant achievement in the context of the disruption to the education system caused by the Covid-19 pandemic, where the broader national picture has not been so positive. Moreover, our research showed that by the end of their first term in teaching, Scholars were already performing broadly in line with the performance expected of a teacher at the end of initial teacher training, placing our Scholars approximately one or two terms ahead of their peers.

Meanwhile, the Connected Learning Centre has maintained its exceptional track record of improving teaching and learning with 98% of teachers reporting that pupil learning outcomes improve following attendance at our curriculum support workshops and Continuing Professional Development sessions. A further 97% say that their own teaching practice will improve following attendance at these events. In January, the Connected Learning Centre won the Bett award for service and support to schools – for the second year running.

Brunei

We have been developing teachers' coaching skills to improve teaching and learning at scale. The latest data, published in 2019/20, shows how our collaboration with Brunei's Ministry of Education

- to design and deliver their flagship Literacy and Numeracy Coaching Programme – raised student achievement in literacy and numeracy across the country. Following this intervention, 172 local coaches are operative at ‘accredited’ level, 168 at ‘specialist’ level and 158 at ‘expert level’
- exceeding a target of 120 coaches.

‘Central to the Literacy and Numeracy Coaching Programme approach was a focus on developing coaching skills. The results of this study demonstrate the transformative potential of coaching used at scale across an education system. Based on the data so far, we have seen impressive changes, not only in teaching quality, but also in teachers’ confidence, and sense of self-efficacy. Moreover, we find that coaching skills are being used to good effect in other contexts outside the classroom, with a culture of coaching and ongoing professional development emerging throughout the system. I am sure that this will be important as we look towards the future because we have created a momentum for change.’

AWANG ALIUDDIN BIN HAJI ABDUL RAHMAN, DEPUTY PERMANENT SECRETARY (CORE EDUCATION), MINISTRY OF EDUCATION BRUNEI DARUSSALAM

Girls’ education and gender equality

Girls’ education remains one of the challenges of our times. Levelling up educational opportunities for girls around the world is key to unlocking the potential of girls to lead more fulfilling lives and fully contribute to the economy and society. Our passion for girls’ education is matched by our experience and expertise, with a deep evidence base and extensive delivery of programmes that benefit girls in different ways across the world. We also care deeply about gender equality and empowering women in education leadership, and are seeking to address this issue in several of our programmes.

Kenya

The Girls’ Education Challenge programme is improving education outcomes for vulnerable girls. Our Wasichana Wetu Wafaulu programme (‘Let Our Girls Succeed’) builds on the success and experiences from the first phase of the project (2014-17) to support learning continuity for over 52,000 girls across 480 schools, 60 secondary schools, 23 Technical and Vocational Education and Training institutions, and 35 catch-up centres. We work with schools, system leaders, health service workers, community volunteers and parents to ensure all girls – including the most vulnerable and those in remote communities – are able to keep learning and progressing in their education.

In Summer 2020, an independent evaluator highlighted that the schools we have worked with performed much better than comparison schools. As a result of our support to girls, educators and schools, attendance has increased and teaching quality has improved. In mathematics, Girls’ Education Challenge interventions brought about consistent improvements in all regions. In mathematics, among basic learners, Girls’ Education Challenge girls’ progress was 2.4 percentage points higher than their peers’ in a comparison group, while advanced learners were 9 percentage points ahead – the equivalent of an additional 1.5 months of schooling. In English, literacy gains were highly pronounced, especially in arid and semi-arid regions, where basic learners were the equivalent of 3.6 months of schooling ahead of their peers (9.3 percentage points higher). Meanwhile, in the urban slums, the Girls’ Education Challenge advanced learners had a 10 percentage points advantage in English literacy progress – equivalent to an extra 2.7 months of schooling.

Rwanda

We are working to support the development of female leaders. We have worked closely with the Rwanda Education Board to develop new career pathways for female teachers in lower-primary schools, leading to the creation of school subject leader positions. In February 2020, we completed the selection of candidates for these roles, with 72% of postholders being female – in line with the

proportion of female primary teachers in the country. We also worked with almost 300 sector learning facilitators and district teaching advisors nationwide to raise awareness of gender issues.

Case study: Supporting vulnerable girls during Covid-19

Previous crises have clearly demonstrated that vulnerable pupils in low-income settings, especially girls, are most at risk of disruptions to their education – and of dropping out of school entirely – due to financial pressures and increased rates of early marriage and pregnancy. It was therefore hugely important for us to support these girls when schools closed due to Covid-19.

In Kenya, we rapidly developed a new model for emergency education provision to help ensure that girls in our Girls' Education Challenge programme could continue to be reached amid school closures. This new approach mobilises the community, leveraging the availability of Community Health Volunteers – who were already visiting individual households to provide health and wellbeing support – to reach individual girls and their parents with educational material, guidance, and teacher feedback in their homes and safe community spaces. In this way, we have been able to reach and track the most marginalised learners, helping us to gain insights into how we can continue to engage them in learning. The deployment of Community Health Volunteers has led to an impressive level of learning continuity for many disadvantaged girls, with over 90% of households surveyed making use of the learning materials they provided.

As a result of this intervention, 91% of the Wasichana Wetu Wafaulu girls in the arid and semi-arid regions we work in were spending more than two hours per day learning during school closures, and 72% of girls in urban areas were doing likewise. We have reached 30,000 girls with paper-based tutorials and have distributed 1,000 solar radios to enable girls to listen to the lessons broadcast by the Kenya Institute of Curriculum Development, which have reached a total of 40,000 girls.

"I was able to continue with the learning even during the school closure period during the pandemic. I am glad I never stopped learning, the regular visits by Wasichana Wetu Wafaulu staff ensured that I continued learning."

BENARDETER, SAMBURU COUNTY

"I received tutorials from the Wasichana Wetu Wafaulu project and also joined a study group in our village. This helped me a lot when schools were closed because of Corona. It helped me understand many things which I did not know like tenses, grammar and vocabulary. I'm happy to be in school because I have more time to read than at home because I have teachers to help me and I can also discuss with friends."

SIDI, KWALE COUNTY

"I received a radio from the Wasichana Wetu Wafaulu project. I was able to listen to radio lessons which helped me a lot in my revision. I also took part in Wasichana Wetu Wafaulu study group where we helped each other in various subjects. I also received tutorials from the project which helped me a lot in doing practice. I'm now back to school and I want to do my best so that I recover lost time and do well in national exams next year."

MARGARET, KILIFI COUNTY

Careers and employability

The Careers team at Education Development Trust manages a growing portfolio of educational programmes in the UK, including the National Careers Service, Apprenticeship Knowledge and Support, destination tracking services, and two new programmes: 'Careers clusters' – a new contract, funded by the European Commission to support schools in London, and 'Making a Difference', an employability-focused programme in the South of England funded by the European

Social Fund. Our team has developed whole new remote delivery models in response to the pandemic, to ensure that these vital services are accessible to as many people as possible in the face of economic disruption.

National Careers Service

The quality of our delivery of the National Careers Service continues to grow. In 2019/20, we provided expert careers advice and guidance to more than 93,000 adults in a range of community settings – the same number as in 2018/19, despite the disruption of 2020. Our provision has helped transform lives and provides lasting economic and social benefit to the communities in which we work. 97% of customers in the Yorkshire and the Humber felt that they had benefitted from the service, as did 94% of customers in the North East, South East and South West.

Our National Careers Service had its Merlin accreditation renewed and was rated as 'Excellent'. In its evaluation, it scored 86%, an increase from 80% ('Good') in our first accreditation in 2018. The assessment team commented that the trends in overall scoring don't often increase in this way, which is a reflection on the outstanding performance of the Education Development Trust Careers team. We also maintained our Matrix accreditation, following an assessment of the quality information, advice and guidance services we provide.

"I was hugely impressed with all the advice and support I have had from the National Careers Service. I wish I'd known the service was available when I was first made redundant as the information I gained was invaluable to setting me on a new career path... I have already told many of my friends throughout the UK of the advantages of contacting their local branch."

NATIONAL CAREERS SERVICE CUSTOMER

Apprenticeship Support and Knowledge for Schools and Colleges Programme

Our London-based Apprenticeship Knowledge and Support programme is helping educators, employers and students to navigate the world of apprenticeships. The Apprenticeship Knowledge and Support programme has completed its pilot year (2019/20), reaching 44,530 students, 5,062 parents, 260 educational establishments and 207 teachers across London. This service exists to help challenge preconceptions and ensure that young people are equipped with strong knowledge of the opportunities available to them. This is likely to be all the more important in the context of economic downturn following the pandemic, and we are delighted to have had a successful first year of the programme. In response to Covid-19, the Apprenticeship Knowledge and Support Digital Service launched on 27 April 2020, offering e-training, interactive sessions, conferences and bespoke digital resources. Through these new online channels, we were able to work with almost 4,000 students and support over 150 teachers.

Furthering our impact

Thought leadership

Throughout this year, we have worked hard to extend the reach of our work, sharing our research, insights and commentary with our partners, a wide range of like-minded organisations, whose readers and members have therefore had much greater exposure to our work. This has helped our ideas to go further and have greater influence upon decision-makers. We have also achieved greater coverage in the press, particularly in the UK throughout the year, with commentary published on careers, employability, and early years provision. In this time, we have increased our social media engagement by 63% and reached 22% more followers than in 2018/19. We have also increased visits to our website by 12%, with an average of 8,239 visits per month, compared to 7,356 per month in the previous year.

We have also been proud to partner and collaborate with a range of organisations, including the Inter-agency Network for Education in Emergencies, Expert Advisory Call Down Services – Heart, The Education and Development Forum, British Expertise International, Bett, the Network for

international policies and cooperation in education and training, the Education Commission, UNESCO's International Institute for Educational Planning, the Philanthropy Workshop and the Global Strategy Forum, for collaborations and content sharing, helping to reach more individuals with our knowledge and expertise. We have leveraged these partnerships in a variety of ways, creating multiple engagement points to raise the profile of our work – from events and webinars, to commentaries, blogs and published research.

Prior to the disruption of the pandemic, we presented our work – including to ministerial audiences – at several high-profile events, including the Education World Forum, Innovation Africa, Innovation MENA, and The Education and Development Forum (UKFIET), each with hundreds of attendees from a diverse range of countries. We also hosted an Education World Forum wraparound programme for ministerial delegations. Since the outbreak of Covid-19, we have moved our events online, co-hosting a digital event with the EdTech Hub and speaking in online forums and panels hosted by the World Innovation Summit for Education and the British Council.

Safeguarding

Throughout this year, we have also reviewed and adapted our safeguarding arrangements to ensure the continuing safety of the pupils and beneficiaries we work with through a period of online and remote delivery. The roll-out of our organisational safeguarding e-learning module this year provided a strong foundation from which teams could adapt their respective safeguarding arrangements. Every business area has engaged with their regional e-learning module or other online training, ensuring that knowledge and practice have kept up with the challenging wider context.

Inclusion and diversity

In a year in which the Black Lives Matter movement has highlighted ongoing racism, we have been keenly aware of the importance of inclusion and diversity across our organisation and all of the work that we do. We believe that our programmes and interventions are the most powerful, though not the only, tool that we have to make a difference to lives of those in disadvantaged groups.

In the UK, where the disadvantage that ethnic minority children experience is a systemic issue, many of our programmes benefit a higher proportion of ethnic minority communities. For instance, 24% of our Future Teaching Scholars cohort recorded their ethnicity as Black, Asian, and Minority Ethnic, compared to the national population of 14%.

In the last two years, our Schools Partnership Programme has provided support to over 750 schools, in which more than 72,000 pupils (27%) are from ethnic minority groups, and our Early Years Professional Development Programme is working with 51 Local Authorities in England, which together provide residence to over 2 million people from ethnic minorities, including 45% of all English primary pupils from ethnic minorities living outside London.

Our Connected Learning Centre programme works primarily with schools in London, most of which are located in very ethnically diverse boroughs where the majority of pupils are from non-White British groups. For instance, in 2019, over half of the schools engaged in activities were in Lambeth, where 82% of pupils are from non-White British ethnic groups. Overall, in 2019, Connected Learning Centre provided science, technology, engineering, and mathematics activities and teacher Continuing Professional Development for over 80 schools where 73% of pupils are from ethnic minority groups, including over 30% from Black or mixed Black groups.

In addition, we have been highly engaged internally considering inclusion and diversity within our own organisation and leadership. We have created an Inclusion & Diversity Task Force, representative at all levels of the organisation, which has been working on solutions as to how we

make our staff and leadership more representative of the communities we serve, particularly in the UK.

Our colleagues have been particularly engaged with the fact that our support for ethnic minority communities needs to extend further beyond what we do, into who we are, and this is one of our six strategic priorities for 2020/21.

Looking Ahead

"This has been an unusual and challenging year in many ways, but we are proud of the excellent work of our organisation this year. What we have achieved in 2019/20 – from our Covid-19 response to our continued progress in raising educational standards around the world – provides us with a strong foundation to further our impact as we look to the future. Looking ahead, we will continue to work to best enable education continuity throughout the ongoing period of uncertainty, to promote effective education system recovery, and to continue to improve teaching and learning outcomes worldwide. This will be evident not only in our programmes and consultancy, but also through our Learning Renewed programme of research, which reimagines what more effective, equitable and resilient education systems might look like. We look forward to another year in which we can make a tangible difference to the lives of people around the world, as we continue to work towards our vision of a world in which all lives are transformed by education."

PATRICK BRAZIER, CHIEF EXECUTIVE

2.5 RESEARCH AND CONSULTANCY

Our Research and Consultancy teams continue to work alongside ministries, clients and non-governmental organisations to design sustainable solutions for education systems around the world. Among our clients in 2019/20 were the UK Foreign, Commonwealth and Development Office, formerly the UK Department for International Development, the UK Department for Education, UNICEF, The Bill & Melinda Gates Foundation, The EdTech Hub, the Norwegian Agency for Development Cooperation and the European Union.

We have also partnered with major organisations including UNESCO's International Institute for Educational Planning and UNICEF. Our Development Consultancy team has also deployed its specialist experience in education reform in low- and middle-income countries providing rapid-response technical assistance.

Our research and consultancy is helping our clients to build capacity. Technical capacity was the main area of capacity development in our projects: 75% of projects reported this impact. In 2019/20, nearly 50% of Research and Consultancy assignments began as 'surge support' work, with no capacity building objectives specified by the client at the project onset. However, according to a recent assessment of our client work, in more than 80% of cases, we extended the intended impact to help clients build their capacities.

2.6 STAKEHOLDER ENGAGEMENT

In accordance with the charities Statement of Recommended Practice (Financial Reporting Standard102) and Section 172 of the Companies Act 2006, we have outlined the key decisions taken by the Board of Trustees that demonstrate how we understand and engage with stakeholders and consider the external impact of our activities.

As well as clients and funders, key stakeholders include employees, suppliers, school pupils and their parents or carers, programme participants, and communities on which we rely or that we affect, and others. The interests of key stakeholder groups are ascertained, considered and discussed by the Board in the course of making key decisions.

Development of our Covid-19 response strategy

In our response to Covid-19, we took an agile approach, establishing a Covid-19 Audit and Finance Committee Support Group to enable frequent Trustee monitoring of the rapidly evolving challenges. In the early stages of the response, the Trustees' first focus was to ensure employees and all other individuals (suppliers, partners, beneficiaries, etc.) coming into contact with us were safe and felt comfortable following guidelines that protected health and wellbeing. From the outset the Trustees considered contingency plans and solvency monitoring, focusing on action to protect the organisation in the short term. From April 2020, the Trustees' widened their focus to consider how we would move between 3 phases: protect – pivot – transform. Toward the end of 2019/20, a strategic response framework was developed, guiding prioritisation, decision-making and planning to pursue strategic growth.

Through all of these stages, the Trustees held meaningful discussions about the likely consequences of the response strategy in the long term and the need to foster relationships with key funders, programme participants, and clients such as parents with children at our schools and recipients of careers advice. The Trustees considered the impact on staff in key decisions, especially safeguarding, protecting jobs and staff engagement.

Safeguarding children and vulnerable adults

The Corporate Safeguarding Committee prioritised three key areas of safeguarding work from its strategic action plan:

1. Capacity and capability building of the global workforce via a programme of in-house training provision delivered directly to teams and via on-line learning.
2. Enhancement of safer recruitment procedures for employees and consultants globally, creating a standardised approach with training and awareness raising activities on-going to ensure that a vigilant approach is embedded throughout the employment cycle, including the reference and performance review processes.
3. A review of current corporate and programme safeguarding policies to explicitly reflect our commitment to the protection of all who come into contact with us through the course of our work from sexual exploitation, abuse, and harassment.

With expert input from the Connected Learning Centre, a corporate safeguarding policy addendum was swiftly developed in March 2020 to reflect our adapted delivery models and, which included a staff code of conduct for the safe delivery of on-line provision and teaching. This was kept under constant review to reflect evolving technologies and ways of working and implemented throughout our global programmes.

Our risk management approach to safeguarding ensured that global teams were able to swiftly respond to the emerging risks associated with lockdown, with impactful work undertaken by the Building Learnings Foundation team in Rwanda, utilising radio, and television slots to raise awareness of safeguarding and newly implemented reporting mechanisms for community members to raise concerns.

Organisational change

A staff reorganisation programme was undertaken in the UK in August 2020. Trustees considered the likely consequences of decisions in the long term, the interests of the company's employees and the need to act fairly. The reorganisation was overseen by a Change Programme Board, with regular reporting to and consultation of the People, Culture and Remuneration Committee, the Audit and Finance Committee and the full Board of Trustees. An Employee Consultation Forum was constituted for the programme to ensure that the views of staff were understood, considered and responded to.

2.7 FINANCIAL OVERVIEW

Education Development Trust is an international organisation with approximately 1,100 staff worldwide, income of £71m, net assets of £28m and free reserves of £15m. Although we have faced significant challenges this year as a result of Covid-19, through management of relationships with funders, appropriate reductions to our cost base and use of government support schemes, we ensured we maintained adequate reserves to meet continuously evolving requirements.

Our revenue is generated by winning education-related contracts from governments and public or private bodies. What sets us apart is that any surpluses are reinvested into educational research and development. We have continued to refine the robust and consistent financial model that underpins our operations, enabling us to:

- Focus on deploying highly capable resource to deliver impactful solutions.
- Remain lean and flexible – combining value for money with the ability to scale up and down while assuring front-line delivery.
- Have appropriate support capability to provide essential back-office and infrastructure services, the governance our partners expect and to fulfil our legal obligations.
- Generate sufficient funds to invest in our sustainability through research and development, innovation and business development, brand building, enabling infrastructure – and in particular our public research.

Financial impact of Covid-19

Covid-19 had a major impact on our financial performance. Due to unprecedented uncertainty in many areas of the business, it was clear early on in the pandemic that income would be significantly impacted. The negative impact of Covid-19 on Group income in 2019/20 was approximately £12m caused by implementation delays as activities pivoted to respond to the pandemic, suspension or cancellation of contracts due to school closures, and reduction in advisory services due to reduced access to clients. The impact of Covid-19 on net expenditure was approximately £0.3m. Further impact on net expenditure was avoided through management of relationships with funders, active cost management and use of UK Government support schemes. The impact of Covid-19 on investment values was approximately £0.2m.

In response to the pandemic, we took steps to manage costs:

- **Furlough:** To help minimise the reduction in staff, 229 employees, around one third of UK staff, were put on furlough in April 2020 on the UK Coronavirus Job Retention Scheme. The total number of employees furloughed during 2019/20 was 314 for an average of 67 days each and the total Coronavirus Job Retention Scheme grant claimed in 2019/20 was £1m.
- **Reduction to ongoing cost base:** Despite the grant from the Coronavirus Job Retention Scheme, further reduction to the cost base was necessary to minimise the impact of Covid-19 on net expenditure in the medium term. The cost reduction programme reduced the ongoing cost base by approximately £2m per annum through disestablishment of vacant posts, redundancies, and non-staff cost reductions.
- **Management of staff costs:** A staff reorganisation programme was undertaken in the UK in August 2020. This resulted in 13 voluntary and 10 compulsory redundancies at a one-off cost, including enhanced redundancy costs and pay in lieu of notice, of £0.4m to deliver an annual ongoing cost reduction of £1m per annum.
- **Management of non-staff costs:** Non-staff cost reductions of approximately £0.7m per annum were mainly in the areas of travel, property, events and recruitment. Covid-19 resulted in a major reduction in business travel and, considering cost and environmental factors, we do not expect to return to pre-Covid-19 levels of travel after the pandemic has abated. Our offices and schools in the UK and around the world closed in March 2020 with staff working from home where possible and teaching being conducted remotely. Offices and schools have gradually

reopened in a safe and Covid-19-secure way following local guidance, but it is anticipated that as home-working becomes more prevalent, the demand for office space will be lower in future.

The results of our subsidiary companies are incorporated on a line-by-line basis in the Consolidated Statement of Financial Activities and in the Group Balance Sheet. The results and net assets/liabilities of the subsidiary companies are set out in Note 9.

The Group results for the 12-month period show net expenditure, before investment, pension and exchange gains and losses, of £1.0 million (2018/19: £0.6m). Total income is £71.2 million, a decrease of £4.7 million from 2018/19. After losses on investments of £0.2m (2018/19: £0.1m gains), actuarial losses on defined benefit pension schemes of £0.3m (2018/19: £0.3m) and exchange losses on conversion of subsidiaries of £1.2m (2018/19: £0.9m gains), and after eliminating the net deficit attributable to minority interests of £0.1 million (2018/19: net surplus eliminated £1.5m) the net decrease in funds for the year is £2.6 million (2018/19: £1.3m).

The exchange losses on conversion of subsidiaries were the result of the strengthening of the British Pound against the Brunei Dollar and the UAE Dirham. This was also the primary reason for the £1.5m decrease in the net result attributable to minority interests.

The total assets less current liabilities of the Group amount to £30.1 million (2018/19: £34.4m as restated). The net assets of the Group are £27.6 million (2018/19 £32.6m). For the Charity, net assets of £19.2 million are reported (2018/19: £17.9m). After accounting for actuarial losses the defined benefit pension scheme accounting balance is a liability of £0.1 million (2018/19: asset of £0.3 million).

The Charity and its subsidiaries do not rely on the contribution of unpaid general volunteers and are not dependent on donations in kind or any other intangible income not evaluated or explained in the accounts.

2.8 RESERVES POLICY

Free reserves are defined as unrestricted financial investments plus working capital. They exclude restricted and designated funds, tangible fixed assets and defined benefit pension assets/liabilities; and include minority interests (for the Group). It is the policy of the Board to hold adequate reserves for the following purposes:

- To manage foreseeable working capital requirements of major programmes.
- To absorb a risk-based assessment of the impact of trading volatility.
- To make reasonable allowance for other risks on a contingency basis.
- To finance investment in the strategic development of the Charity.

As a charity whose expenditure is driven by contractual delivery requirements, the level of reserves we are able to hold is dependent on our ability to generate a net surplus from our trading activities. In the long run we regulate the level of reserves and remain sustainable by optimising those surpluses and investing amounts not planned to cover minimum working capital and risk requirements in strategic development and / or charitable activities.

In normal circumstances, the Board of Trustees reviews the reserves policy each year to ensure it remains fit for purpose; and then reviews actual and planned reserves levels at least twice a year, as part of long-term financial planning, to ensure the level of funds in reserves will remain adequate. The level of reserves required for each purpose fluctuates dynamically in line with changes in composition and performance of our portfolio of contracts and changes to the nature and assessment of the risks we face. Accordingly, our monitoring approach is designed to ensure

that throughout our planning horizon reserves will remain adequate and that we have plans to deploy reserves appropriately.

Following the onset of the Covid-19 pandemic, we have intensified our monitoring of reserves as part of a new approach to monitoring solvency. We have used a range of scenarios to periodically stress test cash and reserves through the second half of the year and up to the date of signing the report. On the basis of this testing and the evident strength of the balance sheet, while an amount of uncertainty exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern.

On 31 August 2020 free reserves were £8.0 million for the Charity (2018/19: £4.7m) and £15.4 million for the Group (2018/19: £18.2m). These amounts were in line with our latest financial plans, and so were at a level that is adequate to meet continuously evolving requirements. The increase in Charity reserves during the year was driven by dividends from subsidiaries. The decline in Group reserves was driven by the share of subsidiary dividends attributable to minority interests and the deficit in the year.

2.9 INVESTMENT POLICY AND RETURNS

Our investment policy is to align with our reserves policy by balancing capital maintenance with low to medium risk returns over the medium term. We manage investment risk by pooling financial investments in two tiers. Tier 1 aims to represent the general funds minimum reserves requirement, to be held in cash and cash equivalents. Tier 2 aims to represent the balance of financial resources in general and restricted funds, to be held in balanced investment funds. We invest our reserves through selected investment managers and operate an ethical investment policy. Under the terms of that policy and having regard to the requirements of charity law to maximise returns, we seek to avoid investments in activities that the Trustees consider to be contradictory to our aims and objectives. Trustees periodically review implementation of this policy through consultation with the investment managers.

As permitted in the Charity's Memorandum of Association, the Board of Trustees has wide investment powers and has delegated responsibility for the management of its investment portfolio, within an agreed risk profile, to investment managers. To assess whether its policy is being successfully pursued, the Trustees set the investment managers the task of achieving a total rate of return each year that exceeds benchmark weighted indices. Historic performance against benchmarks is shown in the following table.

	1 Year		3 Years		5 Years	
	Actual	Benchmark	Actual	Benchmark	Actual	Benchmark
Newton (to 31/08/20)	3.7%	-0.7%	5.6%	3.6%	9.1%	8.0%
HSBC (to 31/08/20)	-2.8%	0.1%	1.4%	2.8%	5.6%	6.0%

2.10 ENERGY AND CARBON REPORTING

The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 require us to disclose our annual energy use and greenhouse gas emissions, and related information on energy efficiency measures undertaken and an energy efficiency ratio.

Energy Use and Carbon Emissions Disclosure

Primary Statement for 2019/20

2019/20	UK Consumption (kWh)	UK Emissions (tCO ₂ e)
Electricity	420,584	98.05
Gas	806,895	148.36
Transport Fuels	318,446	74.83
Gross Annual Total	1,545,925	321.25
Intensity Metric (Headcount)	636	
Total tCO₂e/head		0.505
Qualifying Green Tariffs	39,611	9.24
Net Annual Total	1,506,314	312.02

These emissions translate to Scope 1, 2 and 3 emissions as follows:

2019/20	UK Consumption (kWh)	UK Emissions (tCO ₂ e)
Scope 1*	812,792	149.78
Scope 2	420,584	98.05
Scope 3	312,548	73.41
Total	1,545,925	321.25

* transport fuel consumption and mains gas included, no fugitive emissions recorded

Reporting covers electricity, gas and transport fuel consumption within the UK. We have chosen operational control as the consolidation approach and the boundary includes all entities and facilities either owned or under our operational control that are within the UK. CO₂e emissions are calculated using the Operational Control approach and the carbon emissions methodology defined by the World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol. This is the first year of reporting and it is aligned with the financial year. This year's report will form the baseline year and there are no comparisons to previous years' data. We have not developed any carbon targets for the current reporting period. The intensity metric chosen is employee numbers (taken as a monthly average) as at 31 August 2020. This was chosen as the most suitable metric as the organisation has both schools and offices. We have reduced gross emissions from the consumption of purchased electricity via a qualifying green electricity tariff by 9.4%. This equates to a carbon saving of 9.24 tonnes of CO₂e for this financial year.

Energy Efficiency Narrative

This year's reporting period has been significantly impacted by the Covid-19 situation which has reduced occupation of buildings and company travel significantly since March 2020. The Covid-19 situation has also impacted on energy efficiency measures that the organisation had sought to implement during this financial year. However, over the reporting period, the organisation has undertaken the following principal actions which have had a direct impact on the energy efficiency of the organisation.

- Transferred to 100% renewable energy tariff for electricity at all of our school sites, head office and two satellite offices.
- Instigated a review of commercial travel, both domestic and international, with the intention of ensuring our approach to travel is as considerate of climate change as possible, whilst remaining business-practical and appropriate to our clients' needs.
- Established a working group to develop a sustainability strategy for our Careers work.

The surveys and associated reports completed as part of Phase 2 Energy Savings Opportunities Scheme should provide a route map for which energy conservation measures can be implemented cost effectively. To reduce energy consumption, cost and carbon emissions, we will continue our existing good practices and implement further energy conservation measures in the next 12-month period, and as the changing Covid-19 situation allows.

2.11 FUNDRAISING

Section 162a of the Charities Act 2011 requires us to make a statement on fundraising activities. We do not undertake fundraising activities. Therefore:

- We do not use professional fundraisers or 'commercial participators' to solicit donations.
- We are not subject to any fundraising regulatory scheme or relevant codes of practice.
- We have not received any complaints in relation to fundraising.
- We do not require procedures to monitor fundraising activities.

2.12 PRINCIPAL RISKS

The top corporate risks facing the Group, and associated measures for managing those, are as follows.

Risk identified	Further managing actions
Covid-19 leads to extensive disruption of client demand and / or operational delivery	Continue an adaptive approach to managing uncertainty arising from Covid-19
Economic depression creates unsustainable financial pressures	Continue enhanced and proactive management of reserves and financial risks
Loss of a significant funder	Continue to target client engagement initiatives, including with the newly constituted UK FCDO; and develop new funding sources
Insufficient capacity for business growth	Work with the newly created Strategic Growth team to deliver the business growth benefits envisaged in the organisation design
Major safeguarding incident	Continue to develop and implement the Safeguarding Action Plan
IT security breach	Continue to develop and implement the IT Security Action Plan

2.13 FINANCIAL RISKS

The following sets out the specific principles in relation to certain types of financial risks.

Liquidity

The Group retains sufficient cash funds to meet the day-to-day needs of the organisation and invests its remaining reserves in longer-term investments to maximise returns.

Financial market

The Group's exposure to market risk arises primarily from the Group's fixed asset investments: an investment portfolio of stocks and shares managed by two asset management companies and investment properties. The Group's policy for the investment portfolio is to limit the amount the investment managers can invest in any one company and to ensure the investment portfolio is spread between equities and bonds, both in the UK and overseas, and is invested ethically. There are no investments in unquoted stocks, derivatives or unregulated collective investment schemes.

The investment managers are also limited on how much they can invest in any one foreign currency or country.

Credit

The Group is mainly exposed to credit risk from credit sales. A significant amount of income is derived from major institutional, government and donor funding agencies and so the associated credit risk is modest. However, where it works for private sector clients it assesses the credit risk of new customers and factors the information from these credit ratings into future dealings with the customers. At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Foreign exchange

Due to the international nature of its activities, the Group's reported reserves, net assets and gearing are all affected by foreign exchange movements. The day-to-day transactions of overseas subsidiaries are carried out in local currencies with, wherever possible, both income and expenditure being in the currency of that location. Net exposures are identified and appropriate management strategies put in place on a case-by-case basis. The Group does not currently have any currency derivative instruments in place.

Procurement

Third-party expenditure is governed by a procurement policy and purchases of goods and services of more than a defined amount are subject to a tender process and contracts are put in place.

2.14 OPERATIONAL PLAN 2020/21

The following sets out some of the key organisational objectives for 2020/21.

- Staff Morale and Ways of Working: Put in place a highly effective programme of staff communication and develop new flexible ways of working that maximise the opportunities for greater global working, reducing travel and office costs as well as our carbon footprint.
- Inclusion and Diversity: Develop a clear and compelling vision for Inclusion and Diversity, linked to our growth strategy with clear deliverables, accountabilities and drive. Develop a portfolio of initiatives to achieve greater inclusion and diversity and ensuring that the whole organisation proactively supports the delivery of these initiatives.
- Careers Service: Achieve careers contract targets, adapting to Covid-19 challenges.
- UK Independent Schools: Improve the financial position of each school and ensure that they are all fully prepared for likely inspections, within the ongoing priority of the overall excellence of their educational provision.
- New Business: Put the resourcing and skills in place, bringing to bear all the necessary corporate resources, including the expertise in the new Strategic Growth team, to secure target contract wins for the year and to build our pipeline for future growth.
- Future Strategic Growth: To drive our strategic intent to be world-leading in the design and delivery of high-impact, large-scale educational change programmes – and through this grow the scale and impact of our organisation – we will implement a more joined-up approach to how we plan for and deliver future strategic growth. We will more tightly integrate planning and delivery between the Research, Marketing & Public Affairs and Education Services directorates. This will ensure that the business development efforts of the organisation are further strengthened by being grounded in evidence, in innovation in propositions and solutions, including greater use of education technology, by a positive external profile and reputation for thought leadership, and quality in design, delivery and impact.

3 STRUCTURE, GOVERNANCE AND MANAGEMENT

3.1 STRUCTURE

Education Development Trust is a charity registered in England and Wales and has international and UK trading subsidiaries. We deliver education programmes to governments and donor agencies, provide education reform consultancy services, run a small group of independent (private) schools and invest in a programme of education research.

In Brunei, CfBT Education Services (B) Sdn Bhd, a majority-owned subsidiary, is engaged in the supplying of education system reform services and English language teachers to the Sultanate's public school system. The principal activities of the EDT Middle East Educational Consultancy LLC, registered in Abu Dhabi, are to provide educational consultancy and support for schools. During 2019/20, active trading subsidiary companies operated in the UK, India, Malaysia and South Africa. Since year end, the subsidiary companies in India have been divested from the Group and one subsidiary company, Monkton House Kings College (Cardiff) Educational Trust Limited has been dissolved.

3.2 GOVERNANCE

Education Development Trust was incorporated on 31 December 1965 and received charitable status on 20 February 1976. The Charity is governed by its Articles of Association, last amended in July 2017.

Board structure

The Board of Trustees meets every two months to determine strategy and policies and review performance. It is responsible for the approval of budgets, financial statements and new investments, delegating specific responsibilities to its committees. Details of the Trustees who served throughout the year (except as noted) are set out in Section 4.

There are four permanent committees of the Board of Trustees which report to the Board on their meetings and activities.

- The **Audit and Finance Committee** meets four times a year as a minimum. The committee provides an independent oversight of the Group's systems of internal control, risk management and compliance. It also monitors the Group's financial policies and financial management.
- The **Education Impact Committee** meets four times a year to review the educational impact of the organisation's activities. It also has the remit to commission educational research.
- The **People, Culture and Remuneration Committee** meets twice a year. It has responsibility for reviewing people and culture matters across the organisation, including approaches to employee engagement, staff morale and wellbeing and corporate talent and development initiatives. It is also responsible for determining the remuneration and benefits strategy for the Executive, commissioning external salary benchmarking data on a bi-annual basis.
- The **Corporate Safeguarding Committee** meets four times a year. It provides strategic direction and policy for the Trust in relation to safeguarding children, young adults and other direct and indirect beneficiaries globally. It also provides the Board of Trustees with assurance and evidence that we are meeting the applicable core regulations and exercising a duty of care. The Corporate Safeguarding Committee is advised immediately of any emerging safeguarding cases by the Corporate Safeguarding Adviser through our Chief Executive and is kept informed throughout the case management process.

Each of these committees is comprised of trustees and is attended by executive directors and senior members of staff, as required.

There are two membership committees. The members of these committees, the majority of which must be members who are not also trustees, are appointed by the President:

- The **Nominations Committee** meets twice a year to identify, nominate and make recommendations on the recruitment and appointment of trustees and members.
- The **Trustee Remuneration Committee**, meets as required (at least once a year) to review Board performance and provide independent oversight of the remuneration of the Board.

Current trustee membership of Board committees is indicated against each trustee's name, as listed in Section 4.

Appointment and role of trustees

Applications for new trustees are sought by public advertisement including the internet, through external advisers and through personal contact. The Nominations Committee interviews all potential trustees and successful applicants are put forward for election by the membership of the charitable company. Trustees serve up to two terms of four years. All new trustees are supported through an induction process, which includes meetings with the Chief Executive, Corporate Governance team and operational Directors, as well as written induction materials and relevant training. Trustees are subject to a performance management process where individual training needs are identified, and the Board carries out a self-evaluation periodically and in line with best practice. Trustees are also encouraged to engage with our operational activities through visits to programmes or knowledge-sharing events.

Trustee indemnity insurance

Trustee indemnity insurance provides insurance cover for charity trustees against claims which may arise from their legitimate actions as trustees. As a matter of law, charities require authority to purchase this type of insurance. In the case of Education Development Trust, that authority is obtained from our Articles of Association.

Charity Governance Code

Following a review of the Charity's application of the principles of the Charity Governance Code, progress has been made in implementing an action plan to:

- Enhance the strategic focus of Trustees and their understanding of the Charity and its context, through a tailored induction, training and engagement programme (Principle 5: Board effectiveness).
- Establish a Trustee inclusion and diversity sub-group and organisational taskforce, roll out unconscious bias training to all staff (including Trustees), and utilise diversity data to inform the development of an inclusion and diversity strategy (Principle 6: Equality, diversity and inclusion).
- Map the Charity's stakeholder network and develop a stakeholder stewardship programme. (Principle 7: Openness and accountability).

Implementation of the plan continues to be monitored at Board level, alongside the Charity's strategy.

UN Global Compact

We support the ten principles of the UN Global Compact with respect to human rights, labour, environment and anti-corruption. Through our letter of commitment, we have pledged to participate in and engage with the UN Global Compact by ensuring that its principles form part of our strategy, culture and day-to-day operations. We will be submitting our first Communication on Engagement early in 2021.

3.3 RESPONSIBILITIES OF THE BOARD OF TRUSTEES

The Board of Trustees is responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Board of Trustees is also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). In considering its responsibilities, the Board has had regard to the Charity Governance Code.

Charity and company law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that year. As noted above, in preparing those financial statements, the Board of Trustees is required to:

- Select suitable accounting policies and then apply them consistently.
- Make 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.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Board of Trustees has overall responsibility for keeping proper accounting records that show and explain the Charity's transactions, disclose with reasonable accuracy at any time the financial position of the Charity and enable it to ensure that the financial statements comply with the Companies Act 2006.

Financial statements are published on the Charity's website in accordance with legislation in the UK governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The Board of Trustees is 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.

All of the current trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditors are unaware.

3.4 MANAGEMENT

During the period, the activity of the Charity was organised in three operational groups.

Education Services: This group brings together all our large-scale international and UK programmes. The key components of this group are: South-East Asia region; Middle East, North Africa and India region; Sub-Saharan Africa region; UK Contracts; and Careers.

Research and Consultancy: This group incorporates our consultancy business and our research activity. It also manages the Alexandria Schools Trust restricted fund.

Independent Schools: The group includes our four independent (private) schools: three in the UK and one in South Africa.

3.5 STAFF

During the period under review, we employed an average of approximately 1,100 staff worldwide. We take a proactive position on employee engagement, talent management and personal development opportunities and differentiate ourselves as an 'employer of choice' within relevant recruitment markets.

We are committed to providing equality of opportunity for all and have been developing a clear and compelling vision for inclusion and diversity this year, linked to our growth strategy, with clear deliverables and accountabilities. A newly formed Inclusion & Diversity Task Force has been tasked with developing a portfolio of initiatives to achieve greater inclusion and diversity throughout the organisation.

We give full and fair consideration to applications for employment made by people with disabilities in line with our Inclusion and Diversity strategy, having regard to their particular aptitudes and abilities; continuing the employment of, and arranging training for employees who have become disabled while employed; and otherwise for the training, career development and promotion of people with disabilities.

We deploy a wide range of methods to engage and communicate with employees globally on both a small and large scale, maximising our online capability. This has become even more important during the global pandemic when staff feedback has been sought via regular employee engagement 'pulse' surveys.

3.6 RISK MANAGEMENT AND INTERNAL CONTROL

Our Board of Trustees has responsibility for ensuring the appropriate financial and non-financial controls are in place to provide reasonable, but not absolute, assurance against inappropriate use of resources and against the risk of errors or fraud. It also supports the achievement of the organisation's policies, aims and objectives.

Risk management

The Audit and Finance Committee oversees our risk management framework on behalf of the Trustees. Due to the complexity of the organisation, the Board considers risk tolerance in relation to specific areas of sensitivity, rather than setting a generic risk tolerance framework. In our risk management policy, we have set risk tolerance levels for safeguarding risk (very low) compliance risk (low), security risk (medium), and commercial risk (medium).

We operate a formal risk management process which is incorporated within our system of internal control. This is integrated into the organisation, with clear risk ownership at every level to enable management of the risk profile. Operating at all levels of the organisation from individual programmes up to Group level, exposure to risk is regularly reviewed and escalated. Exposures are assessed before and after existing controls, and where these are regarded as inadequate further measures are devised and implemented.

Risks are escalated to the appropriate organisational level based on their scope and significance. Risk management is a key agenda item at regular business review meetings. Reports are made to the Audit and Finance Committee which reviews and provides further challenge. The Board receives reports on strategic risks three times per year.

Internal control

The Audit and Finance Committee provides independent oversight of the effectiveness of the systems of internal control and is responsible for reviewing and approving the annual internal audit

programme, reviewing the key findings of the internal audit reports as well as monitoring the implementation of accepted recommendations. The committee also meets at least twice a year with the external auditors, both with and without management, to discuss the annual statutory audit and any internal control weaknesses identified in the management letter.

The key components of our internal control and risk management environment include:

- A three-year strategic plan approved by the Board of Trustees against which performance is monitored.
- An annual plan and budget approved by the Board of Trustees.
- Consideration of the financial results of the Group by the Board of Trustees and executive management based on monthly management reports with variances to budget and/or forecast.
- Regular consideration of organisational performance – educational impact, contractual delivery, financial performance and risk management – through regular business review meetings.
- Delegation of authority and segregation of duties.
- Processes for identifying and managing compliance with relevant legislation and with the requirements of regulatory bodies.
- Operational policies and procedures for staff, including policies on safeguarding, whistleblowing, health and safety, and serious incident reporting.
- An outsourced internal audit function which is responsible for a rolling programme of risk-based audits designed to review the effectiveness of internal control processes across the Group and to provide recommendations to strengthen the control environment, the results of which are reported to management and the Audit and Finance Committee. The programme was suspended in March 2020 due to Covid-19 and is due to resume in early 2021.

In particular, we are committed to safeguarding and have zero tolerance for any form of harm, abuse, neglect or exploitation of beneficiaries, staff and all who come into contact with the Trust. This accountability rests with the Trustees, who have delegated operational responsibility through the Executive and the Corporate Safeguarding Committee.

The Trustees' Annual Report and Strategic Report was approved by the Board of Trustees on 26th January 2021 and signed on its behalf by:



Ilse Howling
Chair
26th January 2021

4 REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

4.1 CHARITY DETAILS

Name	Education Development Trust
Registered Charity	Charity Number 270901
Private Company Limited by Guarantee	Company Number 867944
Country of incorporation	England and Wales
Registered & Principal Office	Highbridge House, 16–18 Duke Street, Reading RG1 4RU
Website	www.educationdevelopmenttrust.com
Email	enquiries@educationdevelopmenttrust.com
Telephone	0118 902 1000

4.2 TRUSTEES

The following trustees served throughout the period to which this report relates unless otherwise indicated. Current membership of Board sub-committees is also indicated.

Ilse Howling – Chair; Nominations Committee; People, Culture and Remuneration Committee
Tanya Barron – Education Impact Committee
Christine Gilbert – Chair of Corporate Safeguarding Committee; Education Impact Committee; People, Culture and Remuneration Committee
Julia Grant – Audit and Finance Committee; People, Culture and Remuneration Committee; Education Impact Committee
Yetunde Hofmann – Chair of People, Culture and Remuneration Committee until November 2020
Robert Humphreys – Chair of Audit and Finance Committee
Joy Hutcheon – Chair of People, Culture and Remuneration Committee from January 2021; Audit and Finance Committee
Angela McFarlane – Chair of Education Impact Committee
Jonathan Simons – from September 2019

4.3 MEMBERS

As at 31 August 2020, Education Development Trust had 36 members. The members take an active role in our work and share their educational experience and expertise for the benefit of the Trust. The membership appoints the Trustees and is responsible for reviewing the work of the Trust, principally at the Annual General Meeting.

4.4 PRESIDENT AND VICE PRESIDENT

Throughout the period, Sir Jim Rose and Sara Hodson acted as President and Vice President respectively. Both were appointed on 30 April 2015.

4.5 EXECUTIVE

The Executive is responsible for the operational management of the organisation and, through the Chief Executive, reports to the Board of Trustees or its committees.

Patrick Brazier (Chief Executive)

Tony McAleavy (Research and Consultancy Director)

Cheryl McGeachie (Marketing and Public Affairs Director)

Bob Miles (Finance and Corporate Services Director; Company Secretary)

Anna Searle (Education Services Director)

4.6 BANKERS AND PROFESSIONAL ADVISERS

Bankers	Lloyds Bank Plc 24 Broad Street Reading RG1 2BT	Auditor	BDO LLP 2 City Place Beehive Ring Road Gatwick, West Sussex RH6 0PA
Investment Managers	Newton Investment Management Limited 160 Queen Victoria Street London EC4V 4LA		HSBC Private Bank (UK) Limited 8 Cork Street London W1S 3LJ
Legal Advisers	Clarkslegal LLP 5th Floor, Thames Tower Station Road Reading RG1 1LX Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF		Veale Wasbrough Vizards Narrow Quay House Narrow Quay Bristol BS1 4QA
Legal Advisers (International)	Eversheds Sutherland One Wood Street London EC2V 7WS	Legal Advisers (Pensions)	Charles Russell Speechlys LLP 5 Fleet Place, London EC4M 7RD

5 INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF EDUCATION DEVELOPMENT TRUST

Opinion

We have audited the financial statements of Education Development Trust ('the Parent Charitable Company') and its subsidiaries ('the Group') for the year ended 31 August 2020 which comprise the consolidated statement of financial activities, the Group and Charity balance sheet, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 August 2020 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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 related to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or the Parent Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

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 other information comprises: the Trustees' Annual Report, the Chair's Report and the Strategic Report. The Trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the Strategic Report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic Report or the Trustee's Report.

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

- adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

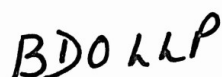
We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ('FRC's') website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Fiona Condron (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick
Date: 4 February 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

6 CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 August 2020

	Notes	General Fund £'000	Restricted Funds £'000	Year to 31 August 2020 Total £'000	Year to 31 August 2019 Total £'000
INCOME					
<u>Income from investments</u>	1d				
Dividends receivable		85	150	235	295
Rental income		376	-	376	397
Interest income		72	-	72	85
<u>Income from charitable activities</u>	1d				
Education Services		57,176	-	57,176	60,893
Research and Consultancy		3,079	-	3,079	3,231
Independent Schools		10,220	-	10,220	10,960
Total income	2a	71,008	150	71,158	75,861
EXPENDITURE					
<u>Expenditure on raising funds</u>					
Investment manager's fees	1e	6	29	35	38
Other costs		375	-	375	394
<u>Expenditure on charitable activities</u>	1e				
Education Services		56,240	3	56,243	60,908
Research and Consultancy		3,198	135	3,333	3,725
Independent Schools		12,124	-	12,124	11,369
Total expenditure	5	71,943	167	72,110	76,434
Total income less total expenditure		(935)	(17)	(952)	(573)
Net (loss) / gain on investments	8	(55)	(97)	(152)	146
Net expenditure	2b	(990)	(114)	(1,104)	(427)
Other recognised gains and losses					
Actuarial loss on defined benefit pension schemes	14	(340)	-	(340)	(323)
Exchange (loss) / gain on conversion of subsidiaries		(1,177)	-	(1,177)	882
Total recognised (losses) / gains for current period		(1,517)	-	(1,517)	559
Net movement in funds before minority interest		(2,507)	(114)	(2,621)	132
Add / (Less): Minority interest		57	-	57	(1,471)
Net movement in funds after minority interest		(2,450)	(114)	(2,564)	(1,339)
Balance brought forward at 1 September 2019		21,775	5,439	27,214	28,553
Balance carried forward at 31 August 2020		19,325	5,325	24,650	27,214

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure is derived from continuing activities.

The notes on pages 39 to 60 form an integral part of these financial statements.

STATEMENT OF FINANCIAL ACTIVITIES – CHARITY ONLY
For the year ended 31 August 2020

	Notes	General Fund £'000	Restricted Funds £'000	Year to 31 August 2020 Total £'000	Year to 31 August 2019 Total £'000
INCOME					
<u>Income from investments</u>	1d				
Dividends receivable		3,557	150	3,707	2,297
Rental income		374	-	374	394
Interest income		31	-	31	30
<u>Income from charitable activities</u>	1d				
Education Services		38,980	-	38,980	36,517
Research and Consultancy		3,083	-	3,083	3,231
Independent Schools		8,325	-	8,325	9,061
Total income		54,350	150	54,500	51,530
EXPENDITURE					
<u>Expenditure on raising funds</u>					
Investment manager's fees	1e	6	29	35	38
Other costs		375	-	375	394
<u>Expenditure on charitable activities</u>	1e				
Education Services		38,524	-	38,524	38,493
Research and Consultancy		3,308	135	3,443	3,856
Independent Schools		10,328	-	10,328	9,639
Total expenditure		52,541	164	52,705	52,420
Total income less total expenditure		1,809	(14)	1,795	(890)
Net (loss) / gain on investments	8	(55)	(97)	(152)	146
Net income / (expenditure)		1,754	(111)	1,643	(744)
Other recognised gains and losses					
Actuarial loss on defined benefit pension schemes	14	(340)	-	(340)	(323)
Total recognised losses		(340)	-	(340)	(323)
Net movement in funds		1,414	(111)	1,303	(1,067)
Balance brought forward at 1 September 2019		12,462	5,433	17,895	18,962
Balance carried forward at 31 August 2020		13,876	5,322	19,198	17,895

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure is derived from continuing activities.

The notes on pages 39 to 60 form an integral part of these financial statements.

BALANCE SHEETS
As at 31 August 2020

As at 31 August 2020		-----GROUP-----		-----CHARITY-----	
	Notes	As at 31/08/20 £'000	As at 31/08/19 Restated £'000	As at 31/08/20 £'000	As at 31/08/19 Restated £'000
FIXED ASSETS					
Tangible assets	1f, 7	6,975	8,721	5,765	7,241
Investments	1h, 8	8,627	10,564	8,627	10,564
Investments in Group undertakings	9	-	-	203	203
Total fixed assets		15,602	19,285	14,595	18,008
CURRENT ASSETS					
Debtors: Amounts falling due within one year	10	11,274	18,841	8,644	10,087
Cash at bank and in hand		20,146	14,531	12,096	6,215
		31,420	33,372	20,740	16,302
CURRENT LIABILITIES					
Creditors: Amounts falling due within one year	11	(16,959)	(18,214)	(13,698)	(14,634)
Net current assets		14,461	15,158	7,042	1,668
Total assets less current liabilities		30,063	34,443	21,637	19,676
Creditors: Amounts falling due after more than one year	11	(1,250)	(1,250)	(1,250)	(1,250)
Provision for liabilities and charges	13	(1,129)	(833)	(1,110)	(811)
Defined benefit pension schemes	14	(79)	280	(79)	280
NET ASSETS		27,605	32,640	19,198	17,895
CHARITABLE FUNDS					
General fund (excluding defined benefit pension schemes)		19,404	21,495	13,955	12,182
Restricted funds	12	5,325	5,439	5,322	5,433
SUB TOTAL FUNDS (excluding pension liabilities)		24,729	26,934	19,277	17,615
Defined benefit pension (liability) / asset	14	(79)	280	(79)	280
TOTAL FUNDS (excluding minority interest)		24,650	27,214	19,198	17,895
Minority interests		2,955	5,426	-	-
TOTAL FUNDS		27,605	32,640	19,198	17,895

The notes on pages 39 to 60 form an integral part of these financial statements.

The financial statements were approved by the Board and signed on its behalf by:



Ilse Howling
Chair

Dated: 26th January 2021

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 August 2020

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
<u>Cash flows from operating activities</u>		
Net expenditure for the year	(1,104)	(427)
Adjustments for:		
Depreciation on tangible fixed assets	2,197	1,320
Profit on sale of tangible fixed assets	(26)	-
Decrease / (increase) in debtors	7,567	(4,235)
(Decrease) / increase in creditors	(1,255)	802
Increase / (decrease) in provisions	296	(29)
Less dividends receivable	(235)	(295)
Less interest receivable	(72)	(85)
Post-retirement benefits adjustment	19	(182)
Dividends paid to minority interest	(2,414)	(701)
Loss / (gain) on investments	152	(146)
Exchange loss / (gain) on fixed assets	258	(52)
Exchange loss on conversion of cash	63	17
Exchange (loss) / gain on conversion of opening reserves of foreign subsidiaries	(1,177)	882
Net cash generated from / (used in) operating activities	4,269	(3,131)
<u>Cash flows from investing activities</u>		
Interest received	72	85
Dividends received from investments	235	295
Purchase of tangible fixed assets	(709)	(1,446)
Sale of tangible fixed assets	26	3
Purchase of fixed asset investments	(3,087)	(1,854)
Sale of fixed asset investments	4,777	1,944
Net cash generated from / (used in) investing activities	1,314	(973)
Net increase / (decrease) in cash and cash equivalents in the year	5,583	(4,104)
Cash and cash equivalents at the beginning of the year	14,620	18,741
Change in cash and cash equivalents due to exchange rate movements	(63)	(17)
Total cash and cash equivalents at the end of the year	20,140	14,620
<u>Cash and cash equivalents:</u>		
Cash at bank and in hand	20,146	14,531
Cash (due to) / at investments managers – money market deposits	(6)	89
Total cash and cash equivalents	20,140	14,620

The notes on pages 39 to 60 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020**1. PRINCIPAL ACCOUNTING POLICIES****a. Basis of accounting and consolidation**

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The accounts of the Charity have been prepared on a going concern basis.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the Group's management to exercise judgement in applying the Group's accounting policies (see note 1c).

In preparing the separate financial statements of the Charity, advantage has been taken of the following disclosure exemptions available in FRS 102:

- no cash flow statement has been prepared for the Charity;
- no disclosure has been given for the aggregate remuneration of the key management personnel of the Charity because their remuneration is included in the totals for the Group as a whole.

All branches are consolidated fully within the Charity. The results and balance sheet of Education Development Trust and its subsidiaries have been consolidated on a line-by-line basis.

The Consolidated Statement of Financial Activities includes the financial activities of the Charity and its subsidiaries up to 31 August. The results of subsidiaries acquired or sold are included in the Consolidated Statement of Financial Activities from, or up to, the date control passes. Intra-group transactions are eliminated fully on consolidation.

On acquisition of subsidiaries, all of the assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. All changes to those assets and liabilities and the resulting surpluses or deficits that arise after the Group has gained control of the subsidiary are charged to the post-acquisition Statement of Financial Activities.

The Charity meets the definition of a public benefit entity under FRS 102.

A summary of the accounting policies, which have been applied consistently, is set out below.

b. Going Concern

Following the onset of the Covid-19 pandemic, we have intensified our monitoring of reserves as part of a new approach to monitoring solvency. We have used a range of scenarios to periodically stress test cash and reserves through the second half of the year and up to the date of signing the report. On the basis of this testing and the evident strength of the balance sheet, while an amount of uncertainty exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern. The Trustees therefore consider it appropriate for the accounts to be prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020**1. PRINCIPAL ACCOUNTING POLICIES (continued)****c. Critical accounting judgements and estimations**

In preparing the financial statements, the Trustees are required to make estimates and judgements. The items in the financial statements where these judgements and estimates have been made include:

(i) Actuarial assumptions in respect of defined benefit pension schemes – Actuarial valuations of defined benefit pension schemes are incorporated in the financial statements in accordance with FRS 102. The actuarial valuation process involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. In applying FRS 102, advice is taken from independent qualified actuaries.

(ii) Pension scheme deficit reduction payments – There is a deficit reduction plan in place in respect of our membership of the Pension Trust's Growth Plan (see note 14). FRS 102 requires a liability to be recognised in respect of the present value of future contributions payable under the terms of the deficit recovery plan. The incorporation of this liability in the financial statements involves the exercise of judgement in several areas, including the selection of an appropriate discount rate.

(iii) Bad debts – The estimate for receivables relates to the recoverability of the balances outstanding at the year end. A review is performed on an individual debtor basis to consider whether each debt is recoverable.

(iv) Accruals – The estimate for payables relates to the liabilities not settled at the year end. A review is performed on an individual creditor basis to estimate the amount that will be paid.

(v) Tangible Fixed Assets – A review is performed annually for indicators of impairment.

d. Income

In the Statement of Financial Activities, income is split between income received from investments and income received from charitable activities.

Income from investments includes dividend income, rental income and interest income, and is included in the Statement of Financial Activities on a receivable basis.

Income from charitable activities represents amounts receivable for goods and services provided in the UK and overseas, net of taxes levied on sales.

Income from charitable activities has been split under the three key activities identified to meet the Charity's objectives: Education Services, Research and Consultancy and Independent Schools.

Income is included in the Statement of Financial Activities when the Group has entitlement to the funds, the amount can be quantified, and receipt is probable. Specifically:

- income from tuition and nursery fees is recognised to the extent that the related services have been provided;
- income from contracts is recognised using the stage of completion method which is equivalent to the aggregate of related expenditure incurred plus a portion of estimated surplus. Anticipated losses on contracts are charged to the Statement of Financial Activities in their entirety when losses become evident.

Income received in advance of the performance of the service is treated as deferred income.

Any associated expenditure is accounted for according to the accruals concept.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

1. PRINCIPAL ACCOUNTING POLICIES (continued)

e. Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Expenditure on raising funds includes charges made by the investment managers, Newton Investment Management Limited and HSBC Global Asset Management (UK) Limited for the Group's portfolio management.

Expenditure on charitable activities has been split under the three key activities identified namely: Education Services, Research and Consultancy and Independent Schools. Further detail of the work within each of these areas is detailed in the Trustees' Report.

Expenditure incurred by subsidiaries is deemed to be direct operating expenditure.

Support, development and governance cost are either directly attributable to charitable activities or where they are not directly attributable they are allocated to activities on a proportion of income basis.

Development expenses, which include marketing expenses, both those of a promotional nature and those specific to negotiating and obtaining future projects, are written off in the period in which the expenses are incurred.

Where input VAT is not recoverable on work undertaken by the Group it is treated as a cost of that project and reflected in the Statement of Financial Activities.

f. Tangible fixed assets

Tangible fixed assets are stated at cost, less depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life as follows:

Freehold land	Not depreciated
Freehold and long-term leasehold buildings	30 years or lease term, whichever is shorter
Building improvements	30 years or lease term, whichever is shorter
Freehold and leasehold improvements	10 years, lease term or remaining contract period, whichever is shorter
Office furniture and equipment	5 years
Motor vehicles	4 years
Enterprise Resource Planning (ERP) system	10 years
Other computer equipment, software and IT infrastructure	3-5 years

For office furniture, equipment and computer equipment purchased second-hand, the depreciation rate is 2 years straight-line.

Where assets are held for a specific contract, those assets are written off over the shorter of the estimated life of the asset and the underlying contract.

Where assets are purchased by the Group but are to be handed back to the funder at the end of the contract, ownership is deemed not to have transferred from the funder and the cost is expensed immediately.

The Group policy is not to capitalise items costing under £1,000. VAT is excluded in the cost of the capital item unless it is irrecoverable, in which case it is treated as part of the cost of that asset.

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 August 2020****1. PRINCIPAL ACCOUNTING POLICIES (continued)****g. Impairment of fixed assets**

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

h. Investments

Investments in subsidiaries are measured at cost less accumulated impairment. Other fixed asset investments comprise investment portfolios. The valuations of the investment portfolios were performed by the Group's investment managers, Newton Investment Management Limited and HSBC Global Asset Management (UK) Limited. Gains and losses are recognised in net income/expenditure in the Statement of Financial Activities. All investment income is derived from quoted investments and recorded in the books of the Charity when received.

i. Financial instruments

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

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

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020**1. PRINCIPAL ACCOUNTING POLICIES (continued)****j. Pension scheme arrangements****(i) Defined contribution scheme**

The Charity and its subsidiaries operate defined contribution pension schemes whereby contributions are charged against revenue as they are made.

(ii) Defined benefit scheme

The Charity contributed to defined benefit pension schemes.

Pension assets and liabilities are recorded in line with FRS 102, with scheme valuations undertaken by independent actuaries. FRS 102 measures the value of pension assets and liabilities at the balance sheet date and determines the benefits accrued in the year and the interest on assets and liabilities.

Current service costs, together with the net interest cost for the year, are allocated to relevant expenditure headings within the Statement of Financial Activities.

Scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term to the scheme liabilities.

The change in value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions, or change in the level of deficit attributable to members, is recognised in the Statement of Financial Activities within actuarial gains/losses on defined benefit pension schemes.

The resulting defined benefit asset or liability is presented separately on the face of the Balance Sheet. The Charity recognises assets for its defined benefit pension schemes to the extent that they are considered recoverable through reduced contributions in the future, or through refunds from the scheme.

k. Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the Balance Sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement accrued at the balance sheet date.

l. Operating leases

Rentals paid under leases are charged against income on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020**1. PRINCIPAL ACCOUNTING POLICIES (continued)****m. Foreign currency translation****(i) Functional and presentation currency**

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Sterling, which is the Charity's and the Group's presentation currency.

(ii) Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of the individual entity are recognised at the spot rate at the dates of the transactions or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange differences that arise are recognised in the SOFA, within 'Net income/expenditure' in the Statement of Financial Activities.

(iii) Translation of group entities

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated from their functional currency to Sterling using the exchange rate ruling on the balance sheet date. Income and expenses are translated using an average rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising on translation of group companies are recognised within 'Other recognised gains/losses' in the Statement of Financial Activities.

n. Restricted funds

The Charity and Group reserves are allocated to two separate types or funds: restricted funds and unrestricted funds. Restricted funds are those relating to income which may only be used for specific purposes. All other funds, including designated funds, are unrestricted.

The Trustees may approve the transfer of funds from unrestricted to restricted funds if operating losses would otherwise result in negative restricted funds being carried forward and it is not anticipated that future operating profits will cover those losses.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

2. SEGMENTAL ANALYSIS

(a) Group income relating to operating activities	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
An analysis of Group turnover by geographical segment is given below:		
United Kingdom	30,092	28,370
South Asia and South East Asia	16,140	23,696
Middle East	4,125	3,992
Africa	20,462	19,407
Europe and other	339	396
	71,158	75,861

Within United Kingdom, income of £1.0m (2018/19: £0) relates to the Coronavirus Job Retention Scheme.
Within Africa, income of £5.0m (2018/19: £7.0m) relates to the FCDO Girls' Education Challenge contract.

(b) Net expenditure

	£'000	£'000
An analysis of the net surplus / (deficit) by geographical segment is given below:		
United Kingdom	(4,564)	(5,213)
South Asia and South East Asia	1,787	3,980
Middle East	360	(76)
Africa	1,181	690
Europe and other	132	192
	(1,104)	(427)

3. STAFF AND TEACHER COSTS

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
Wages and salaries	32,847	35,162
Redundancy, termination or ex gratia payments	543	285
Social security costs	1,691	1,617
Pensions	1,536	1,430
Temporary staff	153	225
	36,770	38,719

Redundancy, termination, and ex gratia payments were incurred as part of an organisational change programme and the ongoing evolution of the business and were accounted for in full in the year that the departure was agreed. The amount payable at 31 August 2020 was £160,375 (2019: £38,218) and is included within Creditors.

Details of the amount payable to defined contribution pension schemes in respect of staff are shown in pensions note 14a.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020
3. STAFF AND TEACHER COSTS (continued)

Staff members whose total annual remuneration was in the ranges:	Year to 31 August 2020 No. of Staff	Year to 31 August 2019 No. of Staff
£60,000 – £69,999	16	12
£70,000 – £79,999	23	17
£80,000 – £89,999	4	7
£90,000 – £99,999	4	1
£110,000 – £119,999	2	1
£120,000 – £129,999	-	3
£130,000 – £139,999	2	-
£140,000 – £149,999	2	1
£150,000 – £159,999	2	1
£160,000 – £169,999	1	1
£170,000 – £179,999	1	-
£180,000 – £189,999	1	1
£190,000 – £199,999	1	2
£240,000 – £249,999	1	1
	60	48

For certain roles involved in major programmes in specific overseas territories, total remuneration includes accommodation, travel, medical and life insurance, schooling, taxes and other relevant allowances.

The Chief Executive was the highest paid UK-based staff member with total annual remuneration in the £180,000 – £189,999 range (2018/19: £160,000-£169,999 range). The change in salary band is due to the employer pension contribution component of his remuneration, which is required to be excluded from this disclosure, being replaced in 2019/20 by a pension allowance (including a backdated element), which is required to be included.

Total employer pension contributions for the provision of money purchase schemes totalled £229,162 (2018/19: £225,623) for those staff whose total remuneration was more than £60,000.

	Year to 31 August 2020 No. of Staff	Year to 31 August 2019 No. of Staff
The number of staff whose remuneration was more than £60,000 to whom retirement benefits are accruing under:		
- money purchase schemes	41	32
- defined benefit schemes	3	2

The average monthly number of persons employed by the Group during the period was:	1,082	1,121
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Key management personnel

The total employment benefits of the key management personnel was £787,093 (2018/19: £640,065) and total employer pension contributions for five people was £51,507 (2018/19: £58,731 for five people).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020
4. NET INCOME / EXPENDITURE
is stated after charging / (crediting)

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
Auditors' remuneration:		
Audit (Charity 2019/20: £48,000, 2018/19: £45,500)	53	50
Other	1	16
Depreciation (note 7)	2,197	1,320
Remuneration of the Board of Trustees (note 6)	123	115
Exchange differences	4	20
Governance costs	137	154
Operating lease rentals: Property	1,268	1,216
Profit on sale of tangible fixed assets	(26)	-

5. ANALYSIS OF TOTAL EXPENDITURE – GROUP

	Direct Staff Costs	Support Staff Costs	Materials Production and Training Delivery	Premises	Other Project Expenditure (including depreciation)	Other Support Expenditure	Year to 31 August 2020	Year to 31 August 2019
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure on charitable activities								
Education Services	23,792	3,653	2,059	705	24,612	1,422	56,243	60,908
Research and Consultancy	1,690	197	47	-	1,322	77	3,333	3,725
Independent Schools	6,785	653	20	2,390	2,022	254	12,124	11,369
	32,267	4,503	2,126	3,095	27,956	1,753	71,700	76,002
Investment manager's fees	-	-	-	-	-	35	35	38
Other costs	-	-	-	-	-	375	375	394
Total expenditure	32,267	4,503	2,126	3,095	27,956	2,163	72,110	76,434

All direct expenditure is charged to the relevant charitable activity on an accruals basis.

Expenditure has been shown under the main categories and split between direct and indirect costs. Other project expenditure includes consultancy fees and other costs incurred in order to meet the Charity's contractual obligations. Other support expenditure includes central finance, human resources, information technology, marketing & communication and governance costs.

Support, governance and development expenditure which is not directly attributable to a charitable activity has been allocated based on the income of that activity as a proportion of the Group income. Governance costs are reported in note 4.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020
6. TRANSACTIONS WITH TRUSTEES AND CONNECTED PARTIES

			Year to 31 August 2020	Year to 31 August 2019
(a) Trustees' remuneration and transactions				
Recipient		Nature	£	£
I Howling	from 1 November 2018	Remuneration	25,000	20,833
B Humphreys		Remuneration	15,500	15,500
C Gilbert		Remuneration	11,774	10,000
A McFarlane		Remuneration	15,500	11,833
J Grant		Remuneration	10,000	10,000
Y Hofmann	from 1 November 2018	Remuneration	15,500	12,917
J Hutcheon	from 14 May 2019	Remuneration	10,000	2,984
T Barron	from 14 May 2019	Remuneration	10,000	2,984
J Simons	from 1 September 2019	Remuneration	10,000	-
P Graf	to 31 October 2018	Remuneration	-	3,333
A Macleod	to 18 November 2018	Remuneration	-	3,358
D Hawker	to 30 April 2019	Remuneration	-	10,333
P Rawlinson	to 31 July 2019	Remuneration	-	9,167
J Owen	to 30 September 2018	Remuneration	-	1,292
			123,274	114,534

The Trustees were appointed under clauses 14.1 and 14.2 of the Memorandum and Articles of Association.

Trustees are remunerated monthly based on their role as trustee. Trustees with additional responsibilities such as chair to a committee are remunerated at a higher level. The levels of remuneration were approved by the Charity Commission in 2014/15. Trustees do not receive pension contributions or other benefits.

		Year to		Year to
		31 August 2020	31 August 2019	31 August 2019
		£	£	£
Nature of expense				
Travel expenses	6	585	1,967	
Subsistence / meals / hospitality	9	1,477	1,679	
Hotels / accommodation	6	1,905	2,664	
Other expenses	9	593	587	
		4,560	6,897	

(c) Transactions with connected parties
(i) Subsidiary undertakings

The following management and other fees were charged by the Charity to its subsidiaries

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
CfBT Education Services (B) Sdn Bhd	1,061	1,314
EDT Middle East Educational Consultancy LLC	311	332
International School of Cape Town (Pty) Ltd	10	15

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020
6. TRANSACTIONS WITH TRUSTEES AND CONNECTED PARTIES (continued)

The following balances were owed to / (owed by) the Charity at the year-end date:

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
CfBT Education Services (B) Sdn Bhd	742	977
EDT Middle East Educational Consultancy LLC	(27)	(840)
International School of Cape Town (Pty) Ltd	797	964
Monkton House Kings College (Cardiff) Educational Trust Ltd	-	444
League for the Exchange of Commonwealth Teachers	(7)	(10)
Waverley School (Waverley Way) Ltd	85	82

The above balances are repayable to the Charity; however, provisions have been made against balances where repayment is doubtful.

The Charity has a 20% shareholding in CfBT Education Services and Partners LLC, a company which provides support for educators in Oman. As the Charity does not have significant influence it is treated as a fixed asset investment. The balance outstanding from CfBT Education Services and Partners LLC of £1,394,000 at 31 August 2020 (2019: £1,389,000) is included within Trade Debtors.

(ii) Other connected parties

Education Development Trust appoints two trustees to the Board of Anthem Schools Trust which is therefore treated as a related party of the Charity. All transactions between the parties are made on an arms-length basis.

The related party transactions during the period to 31 August were:

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
Recovery of Anthem Schools Trust staff salary costs and expenses paid by Education Development Trust on behalf of Anthem Schools Trust	564	532
Charge for Education Development Trust services supporting Anthem Schools Trust	28	48
Services provided to Anthem Schools Trust Schools within normal Education Development Trust business	2	16
Services received from Anthem Schools Trust Schools as part of normal Education Development Trust business	18	22
Donation made by Education Development Trust to Anthem Schools Trust	27	80

Anthem Schools Trust owed £56,053 to Education Development Trust as at 31 August 2020 (2019: £68,443).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020
7. TANGIBLE FIXED ASSETS

	Freehold Property £'000	Long term Leasehold Property £'000	Leasehold Improvement £'000	Motor Vehicles £'000	Office Fixtures £'000	IT Systems & Computers £'000	Total £'000
Group							
Cost							
As at 1 September 2019	3,257	1,196	5,907	534	1,652	4,796	17,342
Additions	130	-	196	11	228	144	709
Disposals	-	-	-	(95)	(19)	(186)	(300)
Exchange adjustment	(229)	-	(51)	(41)	(60)	(58)	(439)
As at 31 August 2020	3,158	1,196	6,052	409	1,801	4,696	17,312
Depreciation							
As at 1 September 2019	861	866	2,738	414	1,149	2,593	8,621
Charge for year	87	40	1,013	64	238	755	2,197
Eliminated on disposal	-	-	-	(95)	(19)	(186)	(300)
Exchange adjustment	(22)	-	(28)	(32)	(53)	(46)	(181)
As at 31 August 2020	926	906	3,723	351	1,315	3,116	10,337
Net book value at 31 August 2020	2,232	290	2,329	58	486	1,580	6,975
Net book value at 31 August 2019	2,396	330	3,169	120	503	2,203	8,721
Charity		Freehold Property £'000	Leasehold Improvement £'000	Motor Vehicles £'000	Office Fixtures £'000	IT Systems & Computers £'000	Total £'000
Cost							
As at 1 September 2019		2,349	5,594	110	1,192	4,402	13,647
Additions		-	196	11	222	84	513
Disposals		-	-	(12)	(7)	(136)	(155)
Exchange adjustment		-	(4)	(6)	(2)	(3)	(15)
As at 31 August 2020		2,349	5,786	103	1,405	4,347	13,990
Depreciation							
As at 1 September 2019		701	2,575	100	750	2,280	6,406
Charge for year		57	1,000	10	215	705	1,987
Eliminated on disposal		-	-	(12)	(7)	(136)	(155)
Exchange adjustment		-	(4)	(5)	(2)	(2)	(13)
As at 31 August 2020		758	3,571	93	956	2,847	8,225
Net book value at 31 August 2020		1,591	2,215	10	449	1,500	5,765
Net book value at 31 August 2019		1,648	3,019	10	442	2,122	7,241

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020

8. FIXED ASSET INVESTMENTS
Portfolio structure

	-----Group and Charity-----			
	-----31 August 2020-----		-----31 August 2019-----	
	%	£'000	%	£'000
Fixed income	14.3%	1,230	11.2%	1,178
Equities	28.0%	2,418	31.9%	3,369
Multi Asset Funds	49.7%	4,290	50.0%	5,284
Other	8.1%	695	6.1%	644
Cash (due to) / held by investment managers	(0.1)%	(6)	0.8%	89
Market value as at 31 August	100%	8,627	100%	10,564

Movement in market value of investments	2019/20	2018/19
	£'000	£'000
Opening market value as at 1 September	10,564	10,672
Additions	3,087	1,854
Disposals	(4,777)	(1,944)
Unrealised losses	(330)	(53)
Realised gains	178	199
Decrease in cash	(95)	(164)
Closing market value as at 31 August	8,627	10,564

Historical cost of investment portfolio

	-----Group and Charity-----	
	2020	2019
	£'000	£'000
Costs as at 31 August	6,858	8,079

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

9. INVESTMENTS IN SUBSIDIARIES

The Charity holds investments in principal undertakings as follows:

	Country of Registration	Company / Charity No	% Holding of Issued Share Capital	Turnover £'000	Expenditure £'000	Net Assets/ (Liabilities) £'000
Education Services						
CfBT Education Services (B) Sdn Bhd	Brunei	n/a	55%	15,918	15,156	5,233
CfBT Multimedia Education Sdn Bhd	Malaysia	482193-M	100%	-	(74)	16
CfBT Education Services (Malaysia) Sdn Bhd	Malaysia	262696-M	100%	-	(73)	-
EDT Middle East Educational Consultancy LLC	Abu Dhabi	n/a	49%	3,542	3,680	3,001
League for the Exchange of Commonwealth Teachers	Great Britain	4294081 / 1089920	100%	-	3	3
CfBT Education Services	India	n/a	100%	85	93	(51)
CfBT Education Resource Management Private Ltd	India	n/a	100%	33	34	17
Independent Schools						
International School of Cape Town (Pty) Ltd	South Africa	2002/026764/07 / n/a	100%	1,921	1,949	557
Waverley School (Waverley Way) Ltd	Great Britain	3181579 / n/a	100%	-	43	201
Monkton House Kings College (Cardiff) Educational Development Trust Ltd	Great Britain	894179 / 525759	100%	-	-	-

The Charity has a 49% shareholding in EDT Middle East Educational Consultancy LLC, a company which delivers education and training services in Abu Dhabi. The Charity has effective control of the subsidiary and as such the subsidiary is fully consolidated within the Group.

Monkton House Kings College (Cardiff) Educational Trust Limited was dissolved on 27 October 2020.

The Charity disposed of CfBT Education Services and CfBT Education Resource Management Private Ltd on 19 November 2020.

Transactions with subsidiaries are detailed in the related parties note 6c.

INVESTMENTS DURING THE YEAR

CHARITY

	Subsidiary Investment Total £'000
Cost as at 1 September 2019 and 31 August 2020	203

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020
10. DEBTORS

	Group		Charity	
	As at	As at	As at	As at
Amounts falling due within one year	31/08/20	31/08/19	31/08/20	31/08/19
	£'000	£'000	£'000	£'000
Trade debtors	4,964	8,631	3,464	3,600
Amounts owed by Group undertakings	-	-	1,624	2,015
Other debtors	2,133	2,566	864	841
Prepayments	773	856	605	659
Accrued income	3,404	6,788	2,087	2,972
	11,274	18,841	8,644	10,087

11. CREDITORS

	Group		Charity	
	As at	As at	As at	As at
Amounts falling due within one year	31/08/20	31/08/19	31/08/20	31/08/19
	£'000	£'000	£'000	£'000
Trade creditors	2,336	2,903	2,300	2,866
Amounts owed to Group undertakings	-	-	91	906
Monies held on behalf of third parties	738	893	737	893
Taxation and social security	713	1,142	476	421
Other creditors	2,718	2,802	858	522
Accruals	3,280	3,632	2,611	2,633
Deferred income	7,174	6,842	6,625	6,393
	16,959	18,214	13,698	14,634

Amounts falling due after more than one year

Deferred income	1,250	1,250	1,250	1,250
	1,250	1,250	1,250	1,250

Comparatives for 2018/19 have been restated to reclassify deferred income falling due after more than one year.

	Group		Charity	
	As at	As at	As at	As at
Movement in deferred income	31/08/20	31/08/19	31/08/20	31/08/19
	£'000	£'000	£'000	£'000
Opening balance at 1 September	8,092	7,173	7,643	6,117
Utilised in the year	(6,753)	(5,796)	(6,304)	(4,865)
Income deferred in the year	7,085	6,715	6,536	6,391
Closing balance at 31 August	8,424	8,092	7,875	7,643

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020
12. RESTRICTED FUNDS

	League for the Exchange of Commonwealth Teachers £'000	Kings Monkton College £'000	Alexandria Schools Trust £'000	Total Restricted Funds £'000
Balance at 31 August 2018	28	-	5,613	5,641
Income	-	-	162	162
Expenditure	(22)	(1)	(395)	(418)
Net gains on investments	-	-	53	53
Transfers	-	1	-	1
Balance at 31 August 2019	6	-	5,433	5,439
Income	-	-	150	150
Expenditure	(3)	-	(164)	(167)
Net losses on investments	-	-	(97)	(97)
Balance at 31 August 2020	3	-	5,322	5,325

Restricted Fund Balance Sheet as at 31 August 2020

Tangible Fixed Assets / Investments	-	-	5,331	5,331
Current Assets (excluding Cash)	6	-	-	6
Current Liabilities	(3)	-	(9)	(12)
Net Assets as at 31 August 2020	3	-	5,322	5,325

Restricted Fund Balance Sheet as at 31 August 2019

Tangible Fixed Assets / Investments	-	-	5,280	5,280
Current Assets (excluding Cash)	9	-	98	107
Cash	-	-	66	66
Current Liabilities	(3)	(453)	(11)	(467)
Transfers from General funds	-	453	-	453
Net Assets as at 31 August 2019	6	-	5,433	5,439

The charitable objectives of Monkton House Kings College (Cardiff) Educational Trust Ltd and the League for the Exchange of Commonwealth Teachers are narrower than those of Education Development Trust.

In 2018/19 funds were transferred from unrestricted (general) to restricted reserves to fund the shortfall recorded in the separate accounts of Monkton House Kings College (Cardiff) Educational Trust Ltd.

The assets of Alexandria Schools Trust were transferred to Education Development Trust on 1 April 2014. As part of the transfer agreement the former Trustees of Alexandria Schools Trust placed restrictions on the use of the funds and therefore the fund is still treated as restricted in the Charity. The use of these funds is restricted to the advancement of education in Egypt and other countries, in accordance with British educational principles and practice.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020
13. PROVISION FOR LIABILITIES AND CHARGES
GROUP

	Dilapidations	Tax	Other	Pension deficit reduction payments	Total
	£'000	£'000	£'000	£'000	£'000
As at 1 September 2019	635	55	50	93	833
Utilised during the year	-	-	(4)	(16)	(20)
Charge / (release) for the year	371	(39)	(18)	2	316
As at 31 August 2020	1,006	16	28	79	1,129

CHARITY

As at 1 September 2019	635	55	28	93	811
Utilised during the year	-	-	-	(16)	(16)
Charge / (release) for the year	371	(39)	(19)	2	315
As at 31 August 2020	1,006	16	9	79	1,110

Provisions due in over one year

Within the figures reported for both the Group and the Charity the following provisions are due after one year

	Dilapidations	Tax	Other	Pension deficit reduction payments	Total
	£'000	£'000	£'000	£'000	£'000
Due after one year	981	-	-	61	1,042

The provision for dilapidations is a best estimate of the Group's liability as tenant for the repair and redecoration of leased buildings on termination of the leases. The timing of potential payments will be in line with the exit dates from leasehold properties.

The provision for pension deficit reduction payments relates to membership of the Pension Trust's Growth Plan. The £79,000 provision as at 31 August 2020 (2019: £93,000) shown above represents the present value of contributions payable by Education Development Trust that result from the terms of the deficit recovery plan.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020**14. PENSIONS**

The Group operates both defined contribution and defined benefit pension schemes. All pension liabilities and costs relate to unrestricted funds in the current and prior years.

a. Defined contribution schemes

The assets of these schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the fund and amounted to £809,665 (2018/19: £812,120). Contributions totalling £176,021 (2018/19: £141,842) were payable to the fund at the year end and are included in creditors.

The Group also contributes to the Teachers' Pension Scheme which is an unfunded, statutory, final salary scheme. Under this scheme benefits are paid out of monies provided by Parliament and teachers' and employers' contributions are credited to the Exchequer. The pension cost charge represents contributions payable by the Group to the fund and amounted to £270,389 (2018/19: £208,052). Contributions totalling £31,500 (2018/19: £26,996) were payable to the fund at the year end and are included in creditors.

The Group also participates in the Pension Trust's Growth Plan. This is a funded, multi-employer scheme with defined benefit characteristics. As it is not possible to identify on a consistent basis the share of underlying assets and liabilities belonging to an individual employer, this scheme is treated as a defined contribution scheme. Contributions payable in the year, amounted to £16,474 (2018/19: £16,790). The results of the Growth Plan scheme valuation as at 30 September 2017 show a deficit of £131.5m. A recovery plan has been established which aims to eliminate the funding deficit over a period of 5 years and 10 months from April 2019. The additional employer contributions required from Education Development Trust as part of this recovery plan are £0.02m per annum. In line with the requirements of the SORP and FRS 102, the present value of contributions payable under the terms of this recovery plan must be recognised as a liability and this is detailed at note 13 to the consolidated financial statements.

b. Defined benefit scheme

The Charity participates in a local government pension scheme (LGPS) operated by The London Pension Fund Authority providing benefits based on final pensionable salary. The Charity also participates in both the Prudential Platinum Pension and Federated Pension Plan which are multi-employer schemes. In both schemes the assets of each employer are kept entirely separate. The Charity is the principal employer of the Educational Exchanges Pension Scheme which is a closed scheme.

The pension cost of each scheme is determined on the advice of independent qualified actuaries. As required by FRS 102, the defined benefit liabilities have been measured using the projected unit method.

The assets of the defined benefit schemes are held separately from those of the Group.

Derivation of figures

The figures disclosed below have been derived by approximate methods from the latest full actuarial valuation of the funds. Each actuarial valuation was carried out by a qualified actuary independent of the plan's sponsoring employer. The latest actuarial valuations were carried out as at 31 March 2019 for the LGPS, as at 1 April 2018 for the Educational Exchanges Pension Scheme and as at 31 December 2017 for the Prudential Platinum scheme. The Federated Pension Plan was established on 1 October 2018 and an initial actuarial valuation was carried out as at this date.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020
14. PENSIONS (continued)
Derivation of figures (continued)

There is no provision for unitising the assets of a fund under the LGPS. The assets of each fund as a whole are allocated to participating bodies on a consistent and reasonable basis. The assumptions used in calculating defined benefit assets and liabilities are shown in the following table:

Assumptions	2019/20	2018/19
RPI	2.80%-3.25%	3.05%-3.35%
CPI	2.00%-2.70%	2.25%-2.35%
Salary increases per annum	2.50%-3.40%	2.75%-3.85%
Pensions increases per annum	2.00%-3.10%	2.25%-3.10%
Discount rate per annum	1.45%-1.80%	1.75%-1.80%

Mortality assumptions

Each fund uses assumptions appropriate to that fund. The LGPS uses Club Vita tables with a long cohort projection and 1.25% improvement. The Educational Exchanges Pension Scheme uses the PCA00 tables with a 1.25% improvement. The Prudential Platinum Scheme uses the S3PA tables, long cohort with a 1.5% improvement. The Federated Pension Plan uses the S2PA tables with a 1.25% improvement.

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
Composition of assets and liabilities:		
Equities	5,364	5,037
Gilts	2,180	2,198
Other bonds / property	1,662	1,368
Cash / other	2,961	2,842
Plan assets at fair value	12,167	11,445
Present value of funded liabilities	(12,246)	(11,165)
Net (liability) / asset	(79)	280

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
Reconciliation of the present value of liabilities		
Opening present value of liabilities	11,165	9,961
Current service cost	296	257
Past service cost	-	16
Interest cost	197	257
Contributions by participants	35	40
Net benefits paid out	(312)	(354)
Actuarial losses	865	988
Closing present value of liabilities	12,246	11,165

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020
14. PENSIONS (continued)

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
Reconciliation of the fair value of assets		
Opening fair value of assets	11,445	10,383
Interest income	202	271
Re-measurement gains:		
Return on scheme assets excluding interest income	619	665
Other actuarial losses	(94)	-
Contributions by employer	327	487
Contributions by participants	35	40
Net benefits paid out	(312)	(354)
Administration expenses	(55)	(47)
Closing fair value of assets	12,167	11,445

Amounts recognised in the balance sheet

Fair value of plan assets	12,167	11,445
Present value of plan liabilities	(12,246)	(11,165)
Net (liability) / asset	(79)	280

Return on assets

Actual return on assets	821	936
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Amount recognised in the SOFA

Current service cost	296	257
Past service cost	-	16
Administration expenses	55	47
Net interest income	(5)	(14)
Expense recognised	346	306

Analysis of actuarial loss recognised within the SOFA gains and losses category

	Year to 31 August 2020 £'000	Year to 31 August 2019 £'000
Actual return less interest income included in net interest income	619	665
Other actuarial losses on assets	(94)	-
Experience gains arising on scheme liabilities	-	101
Changes in assumptions underlying the present value of scheme liabilities	(865)	(1,089)
Total actuarial losses	(340)	(323)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2020

15. OPERATING LEASE COMMITMENTS

At 31 August there were annual commitments under non-cancellable operating leases expiring as follows:

	At 31 August 2020 £'000	At 31 August 2019 £'000
Land and buildings		
Group		
Within one year	2,546	2,670
Within two to five years	3,637	3,990
After five years	8,341	9,025
	14,524	15,685
Charity		
Within one year	898	913
Within two to five years	2,856	3,060
After five years	8,341	8,986
	12,095	12,959

The land and building lease commitment figure for both the Charity and the Group includes a total of £2.9m (2018/19: £3.3m) relating to properties which are sub-let to another organisation.

Future amounts receivable under non-cancellable subleases are as follows:

	At 31 August 2020 £'000	At 31 August 2019 £'000
Land and buildings		
Group and Charity		
Within one year	386	386
Within two to five years	1,578	1,562
After five years	969	1,371
	2,933	3,319

16. CONTINGENT LIABILITIES

	At 31 August 2020 £'000	At 31 August 2019 £'000
Guarantees		
CfBT Education Services (B) Sdn Bhd	1,070	662
EDT Middle East Educational Consultancy LLC	247	282
	1,317	944

The bank guarantees are issued in favour of clients and overseas government departments based on the above group entities' contractual obligations and would crystallise only on default of these obligations.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2020
17. PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	-----GROUP-----			-----CHARITY-----		
	General Fund £'000	Restricted Funds £'000	Total 2018/19 £'000	General Fund £'000	Restricted Funds £'000	Total 2018/19 £'000
INCOME						
<u>Income from investments</u>						
Dividends receivable	133	162	295	2,135	162	2,297
Rental income	397	-	397	394	-	394
Interest income	85	-	85	30	-	30
<u>Income from charitable activities</u>						
Education Services	60,893	-	60,893	36,517	-	36,517
Research and Consultancy	3,231	-	3,231	3,231	-	3,231
Independent Schools	10,960	-	10,960	9,061	-	9,061
Total income	75,699	162	75,861	51,368	162	51,530
EXPENDITURE						
<u>Expenditure on raising funds</u>						
Investment managers' fees	-	38	38	-	38	38
Other costs	394	-	394	394	-	394
<u>Expenditure on charitable activities</u>						
Education Services	60,886	22	60,908	38,493	-	38,493
Research and Consultancy	3,368	357	3,725	3,499	357	3,856
Independent Schools	11,368	1	11,369	9,639	-	9,639
Total expenditure	76,016	418	76,434	52,025	395	52,420
Total income less total expenditure	(317)	(256)	(573)	(657)	(233)	(890)
Net gains on investments	93	53	146	93	53	146
Net expenditure before transfers	(224)	(203)	(427)	(564)	(180)	(744)
Transfers between funds	(1)	1	-	-	-	-
Net expenditure	(225)	(202)	(427)	(564)	(180)	(744)
<u>Other recognised gains and losses</u>						
Actuarial loss on defined benefit pension schemes	(323)	-	(323)	(323)	-	(323)
Exchange gain on conversion of subsidiaries	882	-	882	-	-	-
Total recognised gains / (losses) for period	559	-	559	(323)	-	(323)
Net movement in funds before minority interest	334	(202)	132	(887)	(180)	(1,067)
Less: minority interest	(1,471)	-	(1,471)	-	-	-
Net movement in funds after minority interest	(1,137)	(202)	(1,339)	(887)	(180)	(1,067)
Balance brought forward at 1 Sept 2018	22,912	5,641	28,553	13,349	5,613	18,962
Balance carried forward at 31 Aug 2019	21,775	5,439	27,214	12,462	5,433	17,895