



ANNUAL REPORT

2019
—2020

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**KEEP
GETTING
BETTER**

WELCOME



MESSAGE FROM THE CHAIR OF TRUSTEES

Welcome to a review of Ambition Institute's year in 2019-2020.

I became Chair of Trustees on 1 September 2019 – the first day covered by this report. We started the academic year ready to meet the challenge of changing our programme portfolio – expanding beyond some of our legacy programmes like Future Leaders, and starting to deliver new programmes like the Early Career Teachers pilot. It is probably fair to say that no one could have foreseen the challenges and disruption that would follow.

The Covid-19 pandemic has tested all of us, but our teachers and school leaders have risen brilliantly to the challenge, responding quickly to an emerging crisis with resilience and adaptability. Across the country schools stepped up to play even more crucial roles in their local communities, and teachers put enormous amounts of energy into ensuring our schoolchildren received the best possible education and support.

From the outset of the pandemic, we were determined that Ambition Institute would be an organisation that supported teachers and school leaders through this crisis.

Our immediate priority was making sure our programmes were both relevant to the changing times and delivered in a way that supported teachers through the new and unforeseen challenges they were facing. We quickly adapted all of our programmes for remote delivery and developed new content that addressed novel challenges, such as teaching effectively online and assessing pupils' needs upon returning to school.

Despite the heroic efforts of our teachers and school leaders, so much time out of school and unevenly disrupted learning has had an impact. Emerging evidence indicates that children from disadvantaged backgrounds have been hardest hit by the pandemic. As we start to move (hopefully) into a more familiar world, there is still lots to do.

As the education sector emerges from Covid-19 we need to maintain a strong focus on the factors we know make the biggest difference to pupil attainment, whilst realising the full potential of the new skills, technology and relationships that have been a feature of successive national lockdowns.

Whatever the challenges of the year ahead, expert teaching and school leadership remain critical factors in sustaining healthy, high performing schools that support all pupils to achieve and be successful. And so, this remains our focus at Ambition Institute – drawing on the best possible evidence to deliver high quality professional development that helps teachers and school leaders to keep getting better. We are very pleased to have played a key role in the development and early roll-out of two key reforms to the professional development landscape this year – the new Early Career Framework and national professional qualifications. These reforms will be crucial to ensuring that everyone teaching and leading in schools is well supported to keep on developing throughout their careers.

I've never been prouder to be part of the education sector and am both hopeful and optimistic about our collective capacity to emerge stronger than ever through the year ahead.



REBECCA BOOMER-CLARK

Chair of the Board of Trustees

MESSAGE FROM THE CEO

As an organisation, we – like many others – had a year of two halves in 2019/2020.

I took up post in October 2019, joining a new organisation with a clear mission, full of talented and hard-working staff.

At that point, we were delivering professional development to around 6,000 teachers and school leaders, through a combination of different programmes. At the end of the period covered by this report, we were preparing to deliver to more than 10,000 educators. A key part of our plans was therefore to prepare ourselves for future growth, so that we are able to expand our reach and achieve our mission.

In the first part of the reporting year, we invested considerable energy and resources in the final stage of the organisation's three-year change programme, as well as focussing on the quality of how we deliver our programmes.

From March onwards, much of our organisational effort and attention was focussed on how best we support teachers and leaders through the pandemic. The profession and the education system responded to the rapidly changing circumstances with flexibility, professionalism, and a strong sense of responsibility for the communities they serve – and we have strived to do the same.

We reviewed our entire programme suite, assessing what could be delivered to a high standard virtually and on-line, and what would be better deferred or done differently. We redesigned significant amounts of our programmes, both to be delivered through different media, but also to reflect the changing circumstances and conditions in schools – so that our professional development remained relevant and high quality, and continued to support practitioners to keep getting better. We recognised the increasing demands on teachers' and leaders' time, and adapted accordingly – and we are really pleased to report that engagement has remained consistently high throughout this period, even despite the many challenges teachers have faced.

We have also sought to step up and play our part in supporting the wider education community. Our core belief is that the quality of teaching and leadership is fundamental to the educational outcomes of all children, but even more so for those from disadvantaged backgrounds. As the pandemic has played out across the country, early evidence suggests that many existing disparities have been exacerbated. It has therefore been more important than ever to focus on supporting teachers and leaders to do their jobs as well as possible, and we believe that this will continue to be fundamental to post-Covid recovery.

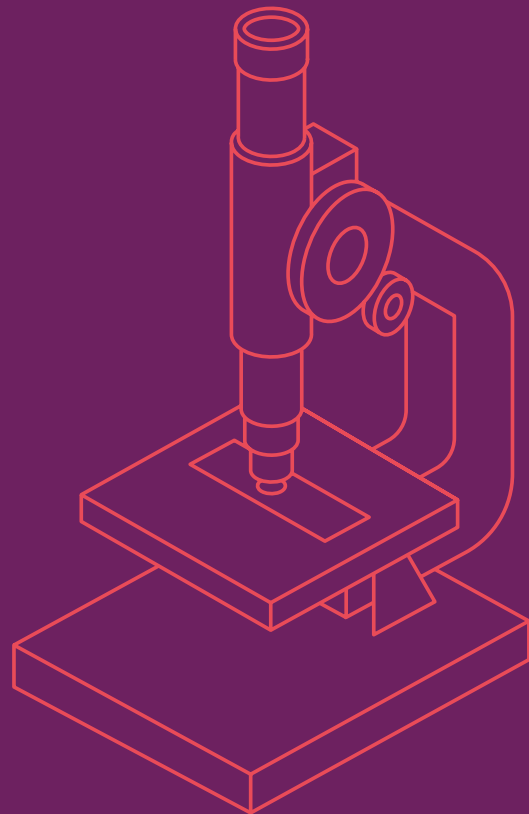
As well as adapting our programmes to help educators meet new challenges, we have also made many of our resources and expertise available to much wider audiences – through seminars, publications, and engagement across the sector. We have continued to support and develop wider system changes: we are proud of our role in piloting and developing the new Early Career Framework, which is now being rolled out nationally, and are looking forward to supporting the new national professional qualifications.

We have continued delivering high quality professional development throughout this year, and are in a strong position for the future. I would like to pay tribute to the hard work of individuals and teams across Ambition, who have worked tirelessly in challenging and unusual circumstances to continue supporting teachers and school leaders to the best of our ability. And on behalf of all of us, I want to say thank you to all of those working in schools and in the education system over this year: you have supported, challenged and nurtured our children at a time of great need, and been a beacon of public service to the country.



HILARY SPENCER
Chief Executive Officer

PURPOSE AND ACTIVITIES



WHO WE ARE

Children from disadvantaged backgrounds don't do as well as their peers at school.

We know that improving teaching and school leadership is the best way to address this gap. No other aspects of the school system have as much influence on pupil achievement, particularly the achievement of pupils from disadvantaged backgrounds.

Ambition Institute has one purpose: to help educators serving children from disadvantaged backgrounds to keep getting better.

WHAT WE DO

At Ambition Institute we help schools tackling educational disadvantage to keep getting better, and help their teachers and school leaders to become more expert over time. That's how we'll make sure every child gets a great education and the best possible start in life.



We train teachers and leaders at all levels to get better at the things that make the biggest difference: what you teach, how you teach it, and how you create the conditions for schools to thrive.



We share what works. Everyone can benefit from evidence of how great teaching and leadership can improve schools and change lives, so we connect people to the latest research and the best practice out there in the system.



We champion every teacher and school leader's potential to develop, as the driving force for sustainable school improvement.



WHY WE EXIST

Over the past ten years, England’s education system has made great strides in raising standards and improving access to a great education. Thanks to the hard work and skill of many dedicated teachers and schools, the attainment gap between disadvantaged pupils and their wealthier peers has started to close in some places. However, this improvement is not yet evenly distributed across the country.

The gap places disadvantaged secondary pupils up to 19.3 months behind their peers,¹ facing futures characterised by low educational outcomes, reduced job options and lowered incomes.

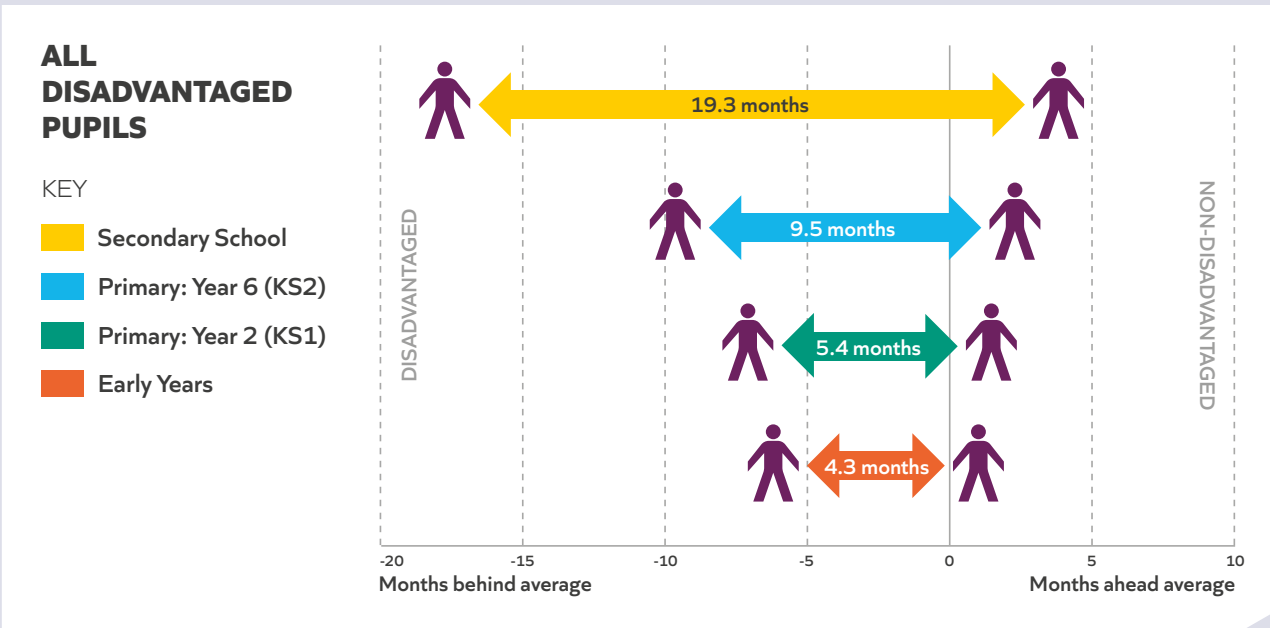
Covid-19 has the potential to widen this gap even further.²

Schools are vital to improving the futures of these children, positioned, as they are, to provide targeted intervention and continuous support. Studies show that teachers’ impact on pupil outcomes is three times that of any other school-based factor,³ making the quality of teaching “by far the biggest factor within schools that can make a difference to the achievement of children and young people”.⁴

To do this effectively, teachers need their schools to support them, as professional development has been shown to be the single most important driver of school improvement.⁵ Just 35 hours of high-quality CPD a year can improve pupil outcomes almost as effectively as bringing in a teacher with ten years’ experience.⁶

This is why Ambition Institute exists – to tackle educational disadvantage by helping educators at all levels to keep getting better, through evidence-informed, continuous development.

We want to see teachers and school leaders developing their practice all throughout their career – within the classroom and at different levels of leadership – through programmes that build on what has gone before. All our programmes are designed to improve the outcomes of pupils from disadvantaged backgrounds so that every child can get the education they deserve.

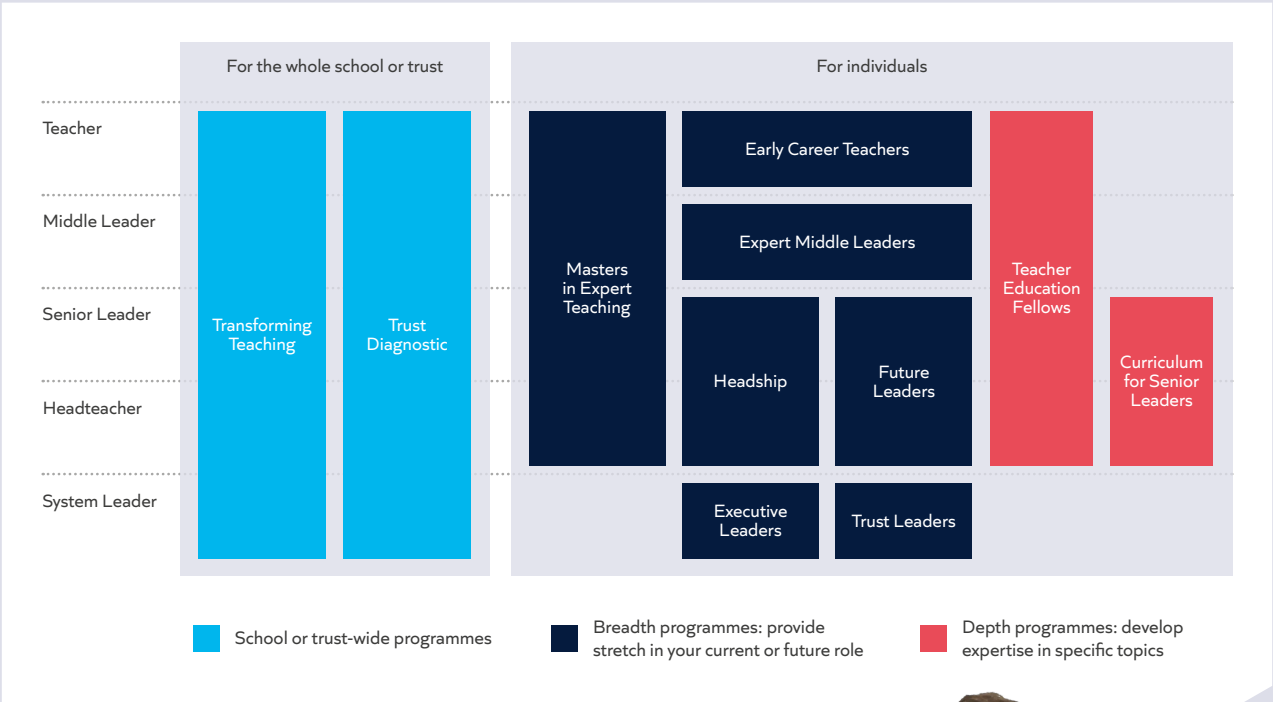


1 Education Policy Institute, 2017
2 Learning in Lockdown. Montacute, R, Cullinane C 2021
3 RAND, 2019
4 Coe, Aloisi, Higgins and Major, 2018
5 Leithwood, Harris and Hopkins, 2019
6 Fletcher-Wood, H and Zuccolo J, 2020

OUR PROGRAMMES IN 2019-2020

This was our programme structure in 2019/20. The year saw the end of one of our longest-running legacy programmes, Future Leaders, which prepared senior leaders to become headteachers of schools in challenging contexts. The funding for the programme ended in 2020, but we continue to support senior leaders through our extensive programme suite.

- > Our programmes have the development of expertise at their heart.
- > Our curricula are organised around the persistent problems that educators face most regularly in their roles.
- > Our approach is aligned to the active ingredients of professional development.



ACHIEVEMENTS AND PERFORMANCE






ONE YEAR IN NUMBERS

We worked with over **8,259 participants.**

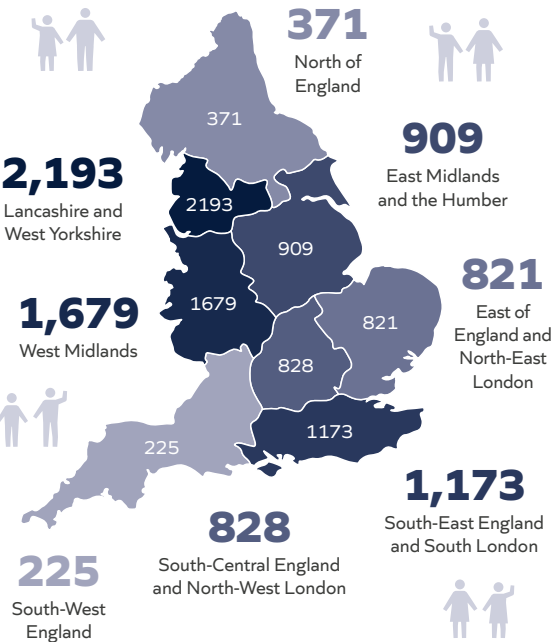
41.8% in primary,
52.7% in secondary,
5.5% in all-through schools



Many of us used lockdown as an opportunity to read more. **Participants, applicants and other visitors to our website** caught up on development, through our range of blogs, case studies and research.

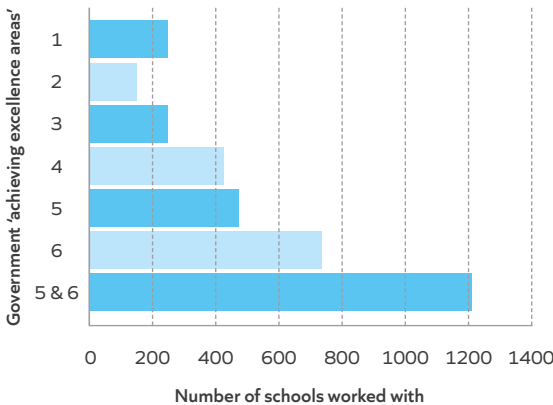
-  Collectively, our blog articles were read just over **123,000 times.**
-  Editions of our downloadable journal series, the Expert Edits, were downloaded over **2,400 times.**
-  The remote teacher development guide, written by our own Teacher Education Fellows participants, was visited **5,412 times.**

We've worked with schools across the **entire country**, from Lancashire and West Yorkshire to South-West England.*



*The graphic above is based on the number of Regional School Commissioners (RSCs). Some of our participants are attached to trusts that don't have corresponding RSCs, therefore they don't appear.

We've continued to focus on tackling educational disadvantage by working in **areas with greater levels of deprivation:**



AN UNUSUAL YEAR: COVID-19

Thanks to the extraordinary effort and dedication of teachers across the country, children were able to continue their education throughout 2020. Rapidly changing their practice to teach both remotely and in-class at the same time required innovation and adaptability from the UK's educators. Managing the risks associated with a uniquely transmissible virus only added to the challenge.

At Ambition Institute, we responded quickly to the evolving picture, to help teachers and school leaders to focus on supporting their pupils. Demand for our programmes remained high, so we adapted both content and delivery to make sure our participants could continue their professional development.



ADDRESSING NEW CHALLENGES

We supported teachers and school leaders to tackle the novel challenges they were facing because of coronavirus and school closures – and to prepare for the challenges of reopening schools.

From delivering online learning, to careful decisions about curriculum content and sequencing, and re-establishing routines and behaviours after an extended time away from school, we listened to what teachers and school leaders told us they wanted and needed, and we adapted our programme content to make it relevant and immediately applicable.

MAKING DEVELOPMENT ACCESSIBLE

Within weeks of the first national lockdown, we adapted all of Ambition Institute's programmes to be delivered online. A short pause to some delivery gave our participants space to adapt their own teaching, and we used this time to make our programmes as accessible as possible.

Where necessary, we adapted programme structures to reduce the requirement for school leaders to take chunks of time away from school for project work. We also established virtual peer learning groups and continued online coaching, helping participants to extend their support network and share what was working in their school.

To support those teachers and school leaders who were unable to continue their professional development as planned, we flexed our delivery, scheduled catch-up sessions, and developed additional materials that could be accessed on-demand for an extended period of time.

SUPPORTING THE NATIONAL EFFORT

We also worked with partners and experts to offer free resources that could help any school to tackle the challenges facing teachers and school leaders during the pandemic.

We launched the Summer Series, a series of online webinars and roundtables on a range of topics, from mastering online teaching to motivating pupils upon returning to the classroom, and from assessing pupils' needs to supporting early career teachers.

The events and recordings were free to access for all teachers and school leaders and reached an audience of more than **10,700** people.

OUR STAFF

The health and wellbeing of our staff was more important than ever in 2019-2020 and we responded to the needs of our employees, despite the loss of face-to-face contact for so much of the year.

We were fortunate to have invested in effective technology to support remote working before the pandemic. As a result, we were ready to change how we worked even before the national lockdown was called and our staff adapted quickly.

We also introduced initiatives to provide greater support for our staff and their wellbeing, acknowledging the unique challenges of working from home and coping with the pandemic.

STORIES FROM OUR SCHOOLS

EARLY CAREER TEACHERS

The Department for Education's Early Career Framework sets out what all new teachers need to know and be able to do as they begin their careers. It is one of the most significant reforms to the teaching profession in a generation, aimed at providing extended, evidence-based development that will produce better-trained teachers who are more likely to stay in the profession.

Our DfE-funded, two-year Early Career Teachers programme is for teachers at the most formative part of their career, providing them with essential tools at the very start their teaching journey.

A major feature of the programme is in-school mentoring: on-the-ground support to help teachers to keep getting better.

FROM PILOT TO EXTENDED ROLL-OUT

In 2019-2020 we were one of only two providers leading pilot programmes for the DfE's Early Career Framework, evaluated by the Education Endowment Fund (EEF).

We worked with 300 new teachers and mentors to test the impact of two approaches, providing face-to-face training to school mentors and induction leads, alongside a coaching guide, weekly online resources, and regular online coaching and support sessions.

The EEF found our pilots to show "evidence of promise", with our online materials and instructional coaching sessions "perceived to be high quality and impactful".

We then became one of four lead providers for the DfE's early roll-out of the Early Career Framework reforms for eligible schools in the North East, Greater Manchester, Bradford and Doncaster in autumn 2020.

In 2019-2020 we used what we learned from our pilots and drew on the best available evidence on how professionals learn to create a programme that will not only have a lasting impact on NQT (Newly Qualified Teacher) knowledge and practice, but will do so whilst respecting the busy and demanding working lives of teachers.

That programme, Early Career Teachers, is set to reach more than 1,300 teachers and mentors in the next academic year.

And in response to the coronavirus pandemic, we expanded our provision of a one-year package of additional support based on the framework, reaching a further 3,100 early career teachers and mentors. This lays a strong foundation to support the national roll-out of the framework in 2021.

During 2019/2020, we were part of the Early Career Framework early roll out.



4,300 participants engaged in early career development.



36 videos uploaded, free to access for all teachers and schools.



437 hours of one-to-one mentor training delivered.



770 hours of sense-making clinic delivered.



An estimated **9,420 instructional coaching sessions** for early career teachers.

ELISABETH BOWLING, ASSISTANT PRINCIPAL FOR TEACHING AND LEARNING AT HETHERSETT ACADEMY, NORWICH

Elisabeth took part in our pilot for the Early Career Framework, as a mentor to NQTs in her school.

Like many across the sector, Elisabeth learned most of her own methods by watching expert teachers and having a go herself, and so wasn't able to break down and explain what good teachers do to achieve results in the classroom.

Through instructional coaching, Elisabeth was able to walk her NQTs through the process of studying a specific element, then building a model of it, having new teachers practice it with her, before finally incorporating it into their classroom practice.

"Suddenly it clicked: this is how you teach teachers so that everyone can succeed.

"The potential of the Early Career Framework is enormous. It has the power to transform the success and retention rates of new teachers across the country."

MASTER'S IN EXPERT TEACHING

KAT HOWARD, ASSISTANT PRINCIPAL AT THE DUSTON SCHOOL, NORTHAMPTONSHIRE

Our two-year Master's in Expert Teaching puts teachers on the path towards expertise. It's designed to fit around their busy lives and delivered in partnership with Plymouth Marjon University.

Participants train on the job to reinvigorate teaching practice with external support from coaches, mentors and expert teachers.

Based on her experience on the Master's, Kat Howard has used mental models to tackle the recurring challenge of pupils' forgetting lesson content.

Taking this approach has led to a noticeable difference in pupil development and engagement. Students are starting to bridge overarching themes of gender, power, conflict and morality across units of learning.

When collating feedback, she found students reported not only being able to use this approach within English, but actually recognised the value of making conceptual links within other subjects. This allows students to see the curriculum as an ongoing wider study sequence, as opposed to standalone units that lack a sense of cohesion.

By aligning her team's understanding of recent research around cognitive science with her knowledge of curriculum design and delivery, Kat's leadership team has started lines of enquiry with students that not only harnesses what they learned previously and can make use of, but also make the implicit explicit to students. They can see the benefit of what has been taught before and how this enables them to experience success later on in the curriculum.

FUTURE LEADERS

JENNY NIMMO, HEADTEACHER AT POTTERSPURY LODGE SCHOOL, NORTHAMPTONSHIRE

Future Leaders is our oldest legacy programme. It prepares senior leaders to become headteachers of schools in challenging contexts. We recruited our final cohort for this programme in 2019-2020.

Since launching in 2006, Future Leaders has supported more than 950 senior leaders to prepare for headship, with a specific focus on closing the achievement gap for pupils from disadvantaged backgrounds. Future Leaders alumni have gone on to lead outstanding schools, including Dixons Trinity and Oasis South Bank.

Jenny Nimmo is a prime example of what this programme has helped ambitious educators to achieve in its history.

When starting her role at Potterspur Lodge, a residential special school, Jenny's priority was re-establishing what she calls the "bread and butter": a culture of teaching and learning. She achieved this through staff development opportunities, strategic briefings, and whole-school training on what good lessons look like.

To get her staff to align, and "buy into" into her vision for the future, Jenny used data and conceptual thinking to create a new band of middle leadership, and a clear progression pathway for her staff, based on her learnings as a middle leader. Jenny's commitment to her staff boosted staff retention rates, bucking national trends.

Looking ahead, Potterspur Lodge will be undertaking joint research with University College London, to look into the teaching and learning of children with Autism Spectrum Disorder.

CURRICULUM FOR SENIOR LEADERS

NIMISH LAD, VICE PRINCIPAL, WRENN SCHOOL, WELLINGBOROUGH

Nimish was on our Curriculum for Senior Leaders programme and told us how he used what he learned when preparing for schools to reopen after the first lockdown.

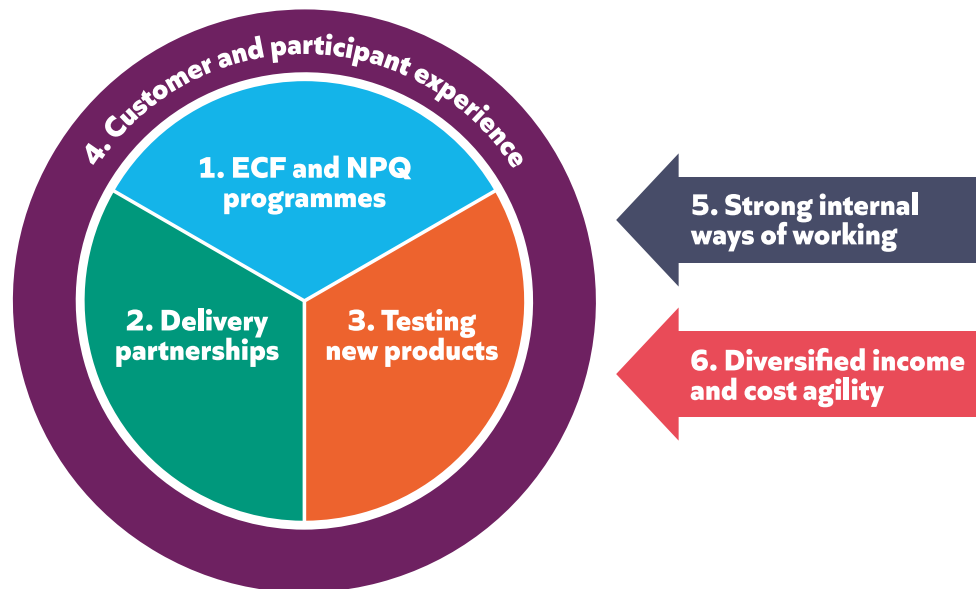
He said: "Our school development plan includes an objective to develop our middle leaders. Upon returning to school after lockdown, our biggest concern was the possibility of staff reverting to what they've done before, rather than what they have learned to be effective, as often happens in strange or new situations.

"In the previous year our staff had developed their formal knowledge of effective teaching and learning, thinking hard about how granular information collected in the classroom informs what should be taught next. We'd built a shared language on the process of learning.

"But we knew that much of the know-how of effective delivery of specific topics was not yet embedded. Different departments were at different stages with this, so leaders drew upon their impressionistic knowledge. Their understanding of how their staff would deal with the unique stresses of the situation helped them to assess the right time to adjust teaching practices without adding to an already difficult situation.

"Our senior team and experienced curriculum leaders supported novice subject leaders by modelling their thinking, focusing on self-management."

PLANS FOR THE FUTURE



In November 2020, we unveiled our organisational strategy through a series of internal events called 'FutureFest'.

We invited all staff to these webinars, setting out our six priorities for 2021/2023.

They are:

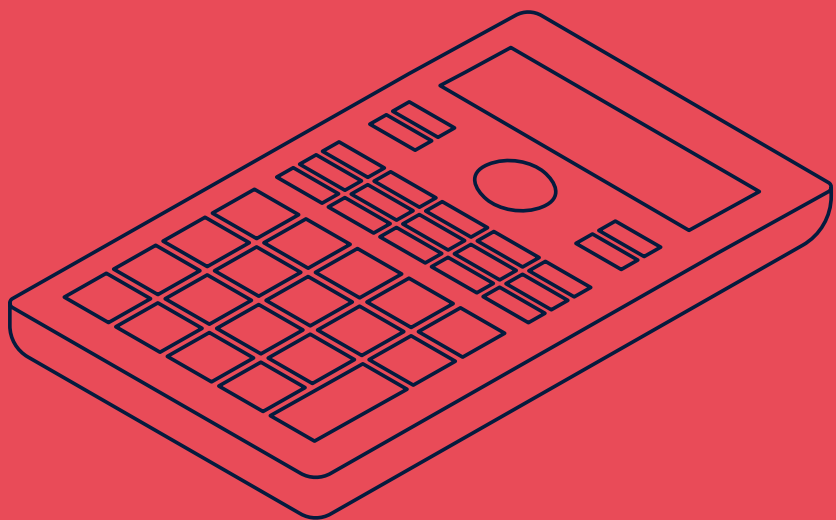
1. Secure contracts to deliver two major government contracts (NPQs and Early Career Framework) and design and deliver high-quality programmes.
2. Develop a national infrastructure of delivery partners and a compelling partnership model.
3. Identify, test and pilot new products and services.
4. Improve the customer and participant experience.
5. Strengthen how we work together at Ambition.
6. Diversify our income sources and become more agile in how we manage resources.

We are pleased to say that we have now been named as a lead provider of both the Early Career Framework and NPQ frameworks.

The golden thread running throughout the Early Career Framework and NPQ programmes will give schools confidence that all their educators, from classroom teachers to leaders of multiple schools, are developing their practice from the same evidence-based framework.

We're excited to work with more teachers, schools and new teaching school hubs to continue supporting their development.

FINANCIAL REPORT



OUR FINANCES

In 2017, our trustees decided to invest some of our reserves into a three-year change programme, aiming to review and modernise Ambition Institute to ensure that we are financially secure for the future. The year 2019-2020 was the third and final year of this change programme, where we invested a further £0.9m, particularly focusing on technology improvements to the user journey for our programme participants, our website and a new cloud-based finance system – all of which has supported us to work effectively through the Covid-19 pandemic.

In 2019-2020 we saw a 20% reduction in our total income compared to the previous year. This was anticipated, as a result of two Department for Education (DfE) contracts which concluded during the year: Teaching Leaders and Transforming Teaching programmes. This decreased our income from DfE contracts by £3.5m.

Covid-19 also had an impact on our income in 2019-2020, in three ways:

- > Although we rapidly pivoted to virtual delivery as the country went into lockdown, our need to pause some delivery led to a deferral of income to the following financial year.
- > Income from schools increased by £0.5m (17%) from last year, which is encouraging given the challenges facing school leaders during the spring and summer terms in 2020, but it is not as much as originally anticipated in our budget for the year, pre-pandemic. Our intention is to increase that income over time as we develop new programmes.
- > We continue to develop our voluntary and philanthropic income stream. While donations have increased by £0.3m from last year, the funding environment has been particularly difficult through the pandemic, and we will continue to build this income stream through the years ahead.

In this context, we made a number of changes to mitigate the challenges posed by Covid-19 and to manage our budgets more effectively.

We reviewed our cost base for savings and efficiencies, refocused our change plan, paused recruitment of some staff roles and capitalised on reductions in costs for travel,

catering, venue hire and accommodation due to the extensive lockdown. We also utilised government support via the Coronavirus Job Retention Scheme, where roles were affected by changes to our delivery. The investments we made in adapting our programmes for online delivery have provided us with solid foundations for future delivery, with our participants engaging positively with remote professional development.

In light of the challenges posed by Covid-19, and the operational efficiencies and strategic decisions made to give the organisation a solid foundation for growth and scaling up in future years, the net movement in funds was a deficit of £1.9m (2019: deficit of £0.5m), of which £0.9m was for planned change costs, with unrestricted reserves reducing from £9.6m to £7.7m.

General reserves are defined as unrestricted reserves less designated reserves. Ambition Institute's reserves policy is to hold general reserves of between two-three months' operating expenditure to safeguard the charity against the following financial risks:

1. Provide working capital to finance our day-to-day operations.
2. Recruitment of the right calibre and number of participants onto our programmes.
3. A downturn in activities which could lead to expenditure exceeding income.
4. Loss of key staff.

Designated reserves are amounts set aside which relate to the carrying value of the charity's fixed assets that are necessary for our day-to-day activities, and therefore are not considered available to meet our day-to-day finance needs. To note, the designated reserves include the carrying value of a long-term loan made to Absolute Return for Kids (ARK). Due to this not being readily available it is excluded from the calculation of general (or free) reserves.

General reserves as of 31 August 2020 totalled £3.6m (2019: £3.4m), representing three months' expenditure – within our policy threshold. Designated reserves were £4.2m (2019: £6.3m).

FUNDRAISING



As per the Charity Act 2011 and Fundraising Regulator's best practices and requirements, we aim to achieve the highest possible fundraising standards. We are registered with the Fundraising Regulator and committed to the Code of Fundraising Practice.

Ambition focuses its fundraising activities on corporate partnerships, trusts & foundations, and major donors. All of Ambition's fundraising is managed in-house, without the involvement of third-party agencies, nor paid or volunteer fundraisers. We have not received any complaints about our fundraising activities.

NIGEL HIGGINS, BARCLAYS GROUP CHAIRMAN

"Covid-19 has created an unprecedented social and economic impact in the UK, with many sadly experiencing greater hardship due to the crisis. Incredible charities, such as Ambition have been playing a vital role in the UK's response to the pandemic, ensuring urgent help reaches those most in need of support."



STAŚ KUŹMIERKIEWICZ, PRO BONO ASSOCIATE AT BAKER MCKENZIE

"Baker McKenzie is extremely proud to support Ambition Institute through our pro bono programme. The work which the charity does in the education sector is exceptional, and our lawyers are delighted to be able to provide free legal advice to further Ambition Institute's ever more important mission."

MARK ELLIS, CREDIT SUISSE EMEA FOUNDATION TRUSTEE

"The Credit Suisse EMEA Foundation is proud to support Ambition Institute given our shared goals and commitment to improving the educational attainment and aspirations of young people. We recognise the need to support educational institutions and through this partnership we further progress our Future Skills strategy, where we strive to enhance the quality of teaching training through world-class professional development. Together, we have reached over 89,000 disadvantaged pupils through their trained teachers across England. We are pleased to support Ambition Institute as it continues to scale up to reach more teachers, schools and children, wherever the need is greatest."

MANAGING RISK

HOW WE MANAGE RISK

Our senior management team and trustees are committed to a robust risk management approach.

During the 2019-2020 financial year, we built on our existing risk management processes and culture.

We strengthened our corporate risk register and risk management policy, and improved processes to identify, review and manage the risks to the charity regularly and consistently.

Programme risk registers are updated and reviewed regularly. The internal and external risk environment is reviewed by key personnel, and there are clear risk owners, alongside mitigations where appropriate.

Our corporate risks reflect the business, operational, programme quality and reputational risks associated with our day-to-day operations. Departments identify risks as part of planning and all identified risks are subject to regular review.

The Board of Trustees maintains overall accountability for the risk register and risk management. It is supported by the Finance Committee, which has oversight of the process and monitors internal financial controls, procedures and risk management.

The principal corporate risks we will manage in 2020-2021 are outlined below and include management actions taken to mitigate either the likelihood of the risk occurring or its possible impact.

THE KEY RISKS FACING THE ORGANISATION INCLUDE:

Revenue: Our income targets are not met

Mitigation: Due to the outbreak and uncertainties of Covid-19, we have focused even greater attention on this risk. Bid opportunities are regularly monitored and reviewed alongside the fundraising pipeline. KPIs are used to set an effective sales strategy and targets. Robust financial governance is in place to enable timely decision making.

Programme quality: the risk that participant or partner experience is below desired level resulting in challenges, complaints or breakdown of stakeholder relationships.

Mitigation: The quality and impact of our programmes remains a key priority for the organisation. Our continued investment in an in-house learning design team is central to assuring high quality and high impact programmes. In 20/21, we have established more consistent approaches to supporting participants on our programmes further improvements to internal processes and ways of working to provide an even more seamless participant experience. We are developing internal analytics and programme dashboards to show more detailed metrics so that we can actively track participant engagement. We have created dedicated quality assurance, communications and partnership roles in our programme teams.

Impact of Covid-19 on ways of working: the risk of a negative impact on our ways of working due to Covid-19 such as its potential impact on our people and wellbeing, and increased cyber-security and data protection risks due to the general increase in cyber-attacks on charities during this period of working from home.

Mitigation: We have been agile in response to the risk of Covid-19 and have introduced a range of additional ways to provide greater support for our staff and their wellbeing, acknowledging the unique challenges of working from home and coping with the pandemic. Prior to Covid-19, we introduced multi-factor authentication and mandatory employee training on GDPR and cyber-security. Additionally, an improved email gateway has been implemented, which defends against inbound email attacks by combining innovative applications and policies with multiple detection engines and intelligence feeds. We continue to monitor our cyber-security risks on a regular basis.

MANAGING ORGANISATIONAL RISKS

Covid-19

A significant risk to Ambition Institute is the ongoing global Covid-19 outbreak and crisis. The trustees and senior management have continued to monitor the situation closely, including its impact on our fundraising and finances. We are also closely following Government advice.

As noted on page 12, ongoing lockdowns and restrictions on movement have meant that we have had to close our offices and convert our programmes to be delivered online. We responded quickly to the pandemic and moved our programme suite online with minimal disruption to the services we offer. This agility allowed our participants to continue to access high quality professional development and we also provided additional content to help the sector with teaching virtually. This saw an increase in satisfaction scores in some areas. We have been committed to rising to the challenges of Covid-19 and supporting the sector in this difficult time.

The impact of Covid-19 continues to influence fundraising conditions. While we have fared well given the ongoing uncertainty, we monitor the climate closely to ensure that future income is not negatively impacted.

The Board will continue to monitor the impact of Covid-19, and it remains a general risk for the organisation for the foreseeable future.

Brexit

The United Kingdom withdrew from the European Union on 31 January 2020 and entered into an Implementation Period which ended on 31 December 2020.

We continue to monitor potential implications to our activities, customers, suppliers and the broader economy. However, as we do not plan to trade overseas in the future, it is not considered a significant risk to the organisation.



GOVERNANCE AND MANAGEMENT

GOVERNANCE STRUCTURE

Ambition Institute is a charitable company. Our main governing document is our Memorandum and Articles of Association, which was last amended in November 2016. We are led by our Board of Trustees who serve as Directors under Company Law.

The Board of Trustees is Ambition Institute's highest decision-making body. It is ultimately responsible for the decisions and actions of the charity. The Board has strategic oversight over the organisation and of issues for which they are legally responsible. Day-to-day management is delegated to the Chief Executive, and the Executive Team are held to account by the Board for the management of the organisation.

The Board has three standing Committees that report on specific issues. Each Committee has agreed terms of reference which are reviewed annually. Committees regularly provide advice and assurance to the Board of Trustees on specific matters within their areas of responsibility.

- > The Finance Committee has oversight of the integrity of the charity's financial reporting and provides assurance to the Board of Trustees that it is using its financial resources and assets appropriately. It includes risk and audit.
- > The People Committee oversees and reviews all strategic matters relating to people and remuneration in the organisation and recruitment of trustees.
- > The Education and Impact Committee assists the Board in its oversight of the integrity and quality of the design of our programmes.

EQUALITY, DIVERSITY AND INCLUSION

Equality, diversity and inclusion are at the heart of our core work and organisational strategy. The events of 2020 – from the impact of Covid-19 to the global Black Lives Matter movement – prompted us to re-evaluate and step up our work in this area.

We are committed to taking action that will help move equality, diversity and inclusion forward in the teacher workforce. To do so, we want to use and apply the same rigour and evidence-led approach that we apply to our professional development programmes.

We are making progress in three areas:

1. Increasing our work to ensure Ambition Institute is genuinely inclusive for our staff.

We are reviewing how we recruit, manage, develop, support and listen to our staff, and have committed to using data more effectively to inform our decision-making.

2. Reviewing our programmes to make sure we attract, retain and develop the widest talent pool.

We are looking at recruitment trends to identify specific areas of focus, thinking hard about how we address diversity within our programme content, and considering how it feels to be a participant with us. And we are evaluating the impact of what we are doing so we can see if it is working and if it is replicable.

3. Working with other partner organisations in the education sector.

We are working with organisations including the Confederation of School Trusts, the Chartered College of Education and Teach First to define collective actions to address questions of equality in the workforce such as recruitment, retention and progression. And we are working with expert academics to increase the evidence base and help guide our work.

HOW WE PROVIDE PUBLIC BENEFIT

Our aim is to help educators serving children from disadvantaged backgrounds to keep getting better. Evidence shows that improving the quality of teaching and school leadership is the best way to make sure that every pupil, regardless of their background, gets a great education. Through our programmes we want to ensure there are expert teachers in every classroom being led by exceptional school leaders at all levels.

Our executive team and Board of Trustees have had due regard for the Charity Commission's public benefit guidance when exercising our duties and execute our objectives through the programmes that we offer.

TRUSTEES' STATEMENT OF RESPONSIBILITIES

The trustees (who are also directors of Ambition Institute for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Account Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial period, which give a true and fair view of the state of the affairs of the charity and of the excess of income over expenditure for that period.

In preparing those financial statements, the trustees are required to:

- > Select suitable accounting policies and 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 its activities.
- > Observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102)

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

Each of the trustees confirms that:

- > So far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- > The trustee has taken all the steps that he/she ought to have taken as a trustee in order to make him/herself aware of any relevant audit information and to establish that the charity's auditor is aware of the information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Our trustees are all experts in their respective fields, with expertise in areas such as education, finance, risk and strategy. The organisation reviews ongoing training requirements of the trustees and provides a formal induction process for any new trustees who join our Board who are unfamiliar with the work of Ambition Institute and their responsibilities as trustees.

CHARITY INFORMATION

COMPANY REGISTRATION NUMBER	07984030
REGISTERED CHARITY NUMBER	1146924
DIRECTORS AND TRUSTEES	Rebecca Boomer-Clark (Chair) Celia Berenguer James Fulton Ian Hale Richard Jefferson Nicolas Turner
COMPANY SECRETARY	Alexa Halabi (appointed 2 Oct 2020) Jacqui Penalver (resigned 2 Oct 2020)
CHIEF EXECUTIVE OFFICER	Hilary Spencer (appointed 14 Oct 2019) Melanie Renowden Interim CEO (resigned 14 Oct 2019)
REGISTERED OFFICE	The Yellow Building 1 Nicholas Road, London, W11 4AN.
BANKERS	Lloyds Bank plc, 95 George Street, Croydon, Surrey, CR9 2NS
SOLICITORS	Stone King LLP, 13 Queen Square, Bath, BA1 2HJ
INDEPENDENT AUDITORS	Buzzacott LLP, 130 Wood Street, London, EC2V 6DL

The trustees, who are also Directors of Ambition Institute for the purposes of the Companies Act, submit their annual report and audited financial statements for the year ended 31 August 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Under the name Teaching Leaders, the organisation was incorporated on 9 March 2012 and is constituted as a company limited by guarantee, formed for charitable purposes. As a limited company, it is governed by its Memorandum and Articles of Association, which set out how Directors and trustees are appointed, and how stakeholder and trustee meetings are conducted.

Details of related party transactions are given in note 16 of these financial statements.

THE BOARD OF TRUSTEES

The members, who are also trustees and Directors of the company, have the right to appoint fellow trustees, and these appointments are indicated in brackets in the list below. The following trustees served on the Board of Trustees during the year and up to the date of approval of this report (except as indicated):

Rebecca Boomer-Clark (Chair)

Celia Berenguer

Dame Rachel de Souza (resigned 18 Dec 2020)

Ian Hale

James Fulton

Richard Jefferson (appointed 1 Jan 2020)

Baroness Sally Morgan (resigned 1 Sep 2019)

Jonathan Simons (resigned 17 Oct 2019)

Nicolas Turner

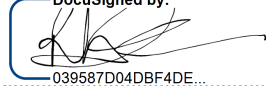
KEY MANAGEMENT PERSONNEL

The trustees consider that they, together with the charity's senior leadership team, are the key management personnel of the charity, responsible for directing, controlling and managing the organisation on a day to day basis.

Trustees give of their time freely and no trustee received remuneration in the year.

The Board of Trustees approve the remuneration of the CEO as recommended by the People Committee.

The annual report was approved by the Board of Trustees and signed on its behalf by

DocuSigned by:

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Rebecca Boomer-Clark
Chair of the Board of Trustees

Date: 21/5/2021

INDEPENDENT AUDITOR'S REPORT

OPINION

We have audited the financial statements of Ambition Institute (the 'charity') for the year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- > give a true and fair view of the state of the charity's affairs as at 31 August 2020 and of its income and expenditure for the year then ended;
- > have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- > have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

We have nothing to report in this regard.

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 is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

the trustees' report, which is also the directors' report for the purposes of company law, has 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

RESPONSIBILITIES OF TRUSTEES

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Buzzacott LLP

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Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street, London, EC2V 6DL

Date: **26/5/2021**

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE) FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total Funds 2019 £
Income from:							
Charitable activities	2	12,801,574	295,225	13,096,799	16,035,532	281,789	16,317,321
Investment income		38,151	—	38,151	55,000	—	55,000
Other income	3	230,864	—	230,864	311,860	—	311,860
		<u>13,070,589</u>	<u>295,225</u>	<u>13,365,814</u>	<u>16,402,392</u>	<u>281,789</u>	<u>16,684,181</u>
Expenditure on:							
Charitable activities							
- Ambition Institute programmes	4	14,122,328	295,225	14,417,553	15,088,062	281,789	15,369,851
		<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
Net (expenditure) income before change costs							
		(1,051,739)	—	(1,051,739)	1,314,330	—	1,314,330
Change costs*		(879,647)	—	(879,647)	(1,798,326)	—	(1,798,326)
		<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
Net expenditure and net movement in funds							
	13	(1,931,386)	—	(1,931,386)	(483,996)	—	(483,996)
Balance brought forward at 1 September							
	13	9,667,953	—	9,667,953	10,151,949	—	10,151,949
		<u></u>	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
Balances carried forward at 31 August							
		<u>7,736,567</u>	<u>—</u>	<u>7,736,567</u>	<u>9,667,953</u>	<u>—</u>	<u>9,667,953</u>

*Change costs are primarily technology to modernise our organisation and ensure Ambition Institute is financially sustainable for the future. The year ended 31 August 2020 was the final year of the change programme and no further costs are anticipated in relation to this in future years.

There are no recognised gains and losses other than those shown above. All of the charity's activities are derived from continuing operations.

BALANCE SHEET AS AT 31 AUGUST 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	8	679,733	766,708
Investments	9	3,500,000	5,500,000
		<u>4,179,733</u>	<u>6,266,708</u>
Current assets			
Debtors	10	1,527,540	2,852,407
Cash at bank and in hand		7,641,585	5,029,886
		<u>9,169,125</u>	<u>7,882,293</u>
Creditors: amounts falling due within one year	11	(5,612,291)	(4,481,048)
Net current assets		<u>3,556,834</u>	<u>3,401,245</u>
Net assets		<u>7,736,567</u>	<u>9,667,953</u>
Unrestricted funds			
General	13	3,556,834	3,401,245
Designated	13	4,179,733	6,266,708
Restricted funds	14	—	—
		<u>7,736,567</u>	<u>9,667,953</u>

The notes on pages 25 to 33 form part of the Financial Statements.

These Financial Statements were approved and authorised for issue by the Board of Trustees and signed on their behalf by:

DocuSigned by:

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Rebecca Boomer-Clark
Chair of the Board of Trustees

Date: 21/5/2021

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2020

	2020 £	2020 £	2019 £	2019 £
Cash flow from operating activities				
Net expenditure as per the statement of financial activities	(1,931,386)		(483,996)	
Adjustments for:				
Depreciation	80,417		114,863	
Loss on disposal of tangible fixed assets	6,558		—	
Interest income	(38,151)		(55,000)	
Net decrease in debtors	1,324,867		924,278	
Net increase in creditors	1,131,243		2,106,585	
Net cash provided by operating activities		573,548		2,606,730
Cash flows from investing activities				
Proceeds from the redemption of investments	2,000,000		—	
Interest received	38,151		55,000	
		2,038,151		55,000
		2,611,699		2,661,730
Net increase in cash and cash equivalents				
Analysis of cash and cash equivalents and changes in net debt				
	At 1 September 2019 £	Cash flows £	At 31 August 2020 £	
Cash at bank	5,029,886	2,611,699	7,641,585	
Debt	—	—	—	
	5,029,886	2,611,699	7,641,585	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

1 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements.

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) and the requirements of the Companies Act 2006 and Charities Act 2011.

Ambition Institute meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

1.2 Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

- > The estimates of the useful economic lives of tangible fixed assets used to determine the annual depreciation charge;
- > The provision required for any bad or doubtful debts which has been determined following an assessment of the likelihood of recovery on long-standing debts; and
- > The estimates and judgements used in determining the value of any contractual or programme related income which may need to be deferred.

1.3 Assessment of going concern

The financial statements have been prepared on a going concern basis. The trustees assess whether the use of going concern is appropriate and have identified no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least 12 months from the date of approval of the financial statements.

Due to the impact of the Coronavirus pandemic the executive team and trustees have regularly reviewed financial plans for the financial year to August 2021 with particular focus on its effect on the charity's financial position including its income, expenditure and reserves; its beneficiaries, and its employees. This is to ensure Ambition Institute can continue its critical activities and remain a going concern. The Government's decisions on social distancing and limitations on travel led to restriction for face-to-face delivery of programmes. Ambition Institute successfully pivoted to continue their programmes online and revised delivery dates to manage the impact of the pandemic.

Whilst the trustees acknowledge the disruption caused by the pandemic to the charity's day-to-day operations, they do not consider this to be cause for material uncertainty in respect of the charity's ability to continue as a going concern.

1.4 Fund accounting

Unrestricted general funds are available for use at the discretion of the trustees in furtherance of the charitable objectives of the Institute. Designated funds are unrestricted funds earmarked by the trustees for particular purposes. Restricted funds comprise funds received with restrictions imposed by the funder or the donor.

1.5 Income

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

Grant income is deferred where there are explicit or implied terms that require the funds to be spent in a future period.

Fee income from the delivery of programmes is recognised to the extent of programme delivery and deferred where funding has been received in advance of the programme being delivered.

Donated services and facilities are included at the value to the charity to the extent that this can be quantified and recognised when receivable. It has not been possible to quantify and value some donated services received during the year, such as facilities provided free of charge by schools; however, these amounts are not material to the financial statements.

1.6 Expenditure

All expenditure is accounted for on an accruals basis and is inclusive of any irrecoverable VAT.

Costs of charitable activities are all expenditure directly relating to the objects of the charity.

Support costs represent indirect expenditure incurred in delivering the charity's objectives and are allocated across the following categories of expenditure on charitable activities at the same ratio as the direct costs:

- > Programme delivery and development
- > Participant selection, assessment, recruitment & retention
- > Systems and programme management.

Governance costs are all costs attributable to the management of the charity's assets, organisation, administration and compliance with constitutional and statutory requirements.

1.7 Operating leases

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

1.8 Pension

The charity has a defined contribution pension scheme for all eligible members of staff. Pension costs charged in the statement of financial activities represent the contributions payable by the charity in the year.

1.9 Fixed assets

Assets with a cost in excess of £5,000 intended to be of ongoing use to the charity in carrying out its activities are capitalised as fixed assets, depreciated as follows:

Leasehold property: 25 years on a straight-line basis
Office furniture: 5 years on a straight-line basis
Furniture, fixtures and fittings: 4 years on a straight-line basis
IT equipment: 3 years on a straight-line basis

1.10 Investments

Investments are in respect of amounts loaned to third parties. The balance is carried on the balance sheet at the value expected to be repaid. It has not been discounted on the basis that there is no fixed repayment profile.

1.11 Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

1.12 Creditors

Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

1.13 Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement basis are as follows:

Financial assets – accrued income other debtors are basic financial instruments and are debt instruments measured at amortised cost.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

1.14 Tax

The charity is exempt from income and corporation tax on income and gains to the extent that they are applied for its charitable objects.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

2 Income from charitable activities

2019/20	Unrestricted funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
Department for Education (previously known as NCTL)	8,571,959	—	8,571,959	12,117,924
School fees	3,562,273	—	3,562,273	3,036,912
Grant from Ark	—	—	—	539,441
Donations and/or voluntary funds	667,342	295,225	962,567	623,044
Total income	<u>12,801,574</u>	<u>295,225</u>	<u>13,096,799</u>	<u>16,317,321</u>

2018/19	Unrestricted funds £	Restricted funds £	Total funds 2019 £
Department for Education (previously known as NCTL)	12,117,924	—	12,117,924
School fees	3,036,912	—	3,036,912
Grant from Ark	539,441	—	539,441
Donations and/or voluntary funds	341,255	281,789	623,044
	<u>16,035,532</u>	<u>281,789</u>	<u>16,317,321</u>

3 Income from other sources

	2020 £	2019 £
Lettings income	120,105	111,750
Events income	—	76,517
Coronavirus Job Retention Scheme income	104,566	—
Miscellaneous	6,193	123,593
	<u>230,864</u>	<u>311,860</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

4 Expenditure on charitable activities

	Direct costs £	Allocated support costs (note 5) £	Total costs 2020 £	Total costs 2019 £
2019/20				
Programme delivery and development	9,504,959	854,968	10,359,927	11,099,667
Participant selection, assessment, recruitment & retention	2,453,944	220,731	2,674,675	3,269,734
Systems and programme management	1,268,821	114,130	1,382,951	1,000,450
	<u>13,227,724</u>	<u>1,189,829</u>	<u>14,417,553</u>	<u>15,369,851</u>
2018/19				
Programme delivery and development	10,333,733	765,934		11,099,667
Participant selection, assessment, recruitment & retention	3,044,106	225,628		3,269,734
Systems and programme management	931,414	69,036		1,000,450
	<u>14,309,253</u>	<u>1,060,598</u>		<u>15,369,851</u>

5 Support costs

	2020 £	2019 £
Staff costs	880,865	623,449
Finance and HR	171,876	249,965
Payroll administration	27,097	25,593
Insurance	27,962	28,840
General overheads	1,329	7,824
Depreciation	63,086	88,718
Governance costs (note 6)	17,614	36,209
	<u>1,189,829</u>	<u>1,060,598</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

5 Support costs (continued)

Support costs represent indirect expenditure incurred in delivering the charity's objectives and are allocated across the various categories of expenditure on charitable activities at the same ratio as the direct costs.

6 Governance costs

	2020	2019
	£	£
General overheads	1,112	18,917
Auditor's remuneration		
Statutory audit services	16,502	17,292
	<u>17,614</u>	<u>36,209</u>

7 Employee remuneration

	2020	2019
	£	£
Wages and salaries	8,805,265	8,387,317
Social security costs	826,013	867,671
Pension costs	943,798	857,865
Other staff costs	442,587	789,088
	<u>11,017,663</u>	<u>10,901,941</u>

Wages and salaries above includes £102,462 (2019: £59,791) of redundancy costs in respect of 5 (2019: 5) employees.

The average monthly number of full-time equivalent persons employed by the charity during the year was:

	2020	2019
	No.	No.
Management	5	5
Support	226	221
	<u>231</u>	<u>226</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

7 Employee remuneration (continued)

The average monthly number employed by the charity during the year was:

	2020 No.	2019 No.
Full time	209	204
Part time	28	31
	<u>237</u>	<u>235</u>

The number of employees who received remuneration in excess of £60,000 p.a. during the year was:

	2020 No.	2019 No.
£60,000 - £70,000	7	9
£70,001 - £80,000	6	4
£80,001 - £90,000	1	—
£90,001 - £100,000	1	3
£100,001 - £110,000	1	1
£110,001 - £120,000	1	—
	<u>17</u>	<u>17</u>

The key management personnel of the charity consist of trustees of the charity and the senior leadership team. The trustees did not receive any remuneration during the current year (2019: nil). The total emoluments paid to the senior leadership team in the year were £687,678 (2019: £519,025).

None of the trustees (2019: nil) were reimbursed expenses during the year (2019: £nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

8 Tangible fixed assets

	Leasehold Property £	Office furniture and IT equipment £	Total £
Cost			
At 1 September 2019	850,000	480,997	1,330,997
Disposals	—	(140,839)	(140,839)
At 31 August 2020	850,000	340,158	1,190,158
Accumulated depreciation			
At 1 September 2019	185,463	378,826	564,289
Charge for the year	34,000	46,417	80,417
On disposals	—	(134,281)	(134,281)
At 31 August 2020	219,463	290,962	510,425
Net book value			
At 31 August 2020	630,537	49,196	679,733
At 31 August 2019	664,537	102,171	766,708

9 Fixed asset investments

	2020 £	2019 £
Long term loan (see note below)	3,500,000	5,500,000

During the year ended 31 August 2017, the charity provided a long term loan of £5.5 million to Absolute Return for Kids (Ark) for securing leasehold office space in their Education City new build development. The terms of the agreement states that Ark agrees to pay interest to Ambition Institute at a rate 0.25% above the Bank of England Base Rate. Ark may repay any portion of the loan at any time. Ambition Institute may recover any part of the loan after providing no less than 3 months' notice. In the year ended 31 August 2020, £2,000,000 of the loan was repaid to the charity.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

10 Debtors

	2020 £	2019 £
Trade debtors	1,296,390	2,488,885
Prepayments	164,371	161,690
Accrued income	66,779	199,447
Other debtors	—	2,385
	<u>1,527,540</u>	<u>2,852,407</u>

11 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	129,404	320,534
Tax and social security	976,647	241,190
Deferred income (note 12)	2,674,149	1,526,407
Accruals	347,104	980,387
Other creditors (see below)	1,484,987	1,412,530
	<u>5,612,291</u>	<u>4,481,048</u>

Other creditors is mainly funds held on behalf of third parties for the NPQ programmes funding mechanism, a balance of £1,346,045 (2019: £1,301,767). The balance is for the defined contributions pension scheme that the charity operates. The assets of the scheme are held separately from those of the charity in an independently administered fund. Included in other creditors above is a balance of £99,632 (2019: £98,071), owing to The Pensions Trust.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

12 Deferred income

	2020 £	2019 £
Balance brought forward at 1 September	1,526,407	226,142
Amounts released during the year	(1,526,407)	(226,142)
Total income received during the year to be deferred	2,674,149	1,526,407
	<hr/>	<hr/>
Balance carried forward at 31 August	2,674,149	1,526,407
	<hr/> <hr/>	<hr/> <hr/>

Deferred income carried forward comprises the income received for programmes that relates to the following period. It also includes the deferral of grants or sponsorship funding received where the funding is to be applied over a period of more than one year as indicated by the funder.

13 Unrestricted funds

	General funds £	Designated funds £	Total 2020 £	Total 2019 £
Balance brought forward	3,401,245	6,266,708	9,667,953	10,151,949
Net movement in funds	155,589	(2,086,975)	(1,931,386)	(483,996)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance carried forward	3,556,834	4,179,733	7,736,567	9,667,953
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Funds totalling £4,179,733 have been designated by the trustees. This represents fixed assets as at 31 August 2020 and funds loaned to Ark for securing leasehold office space in their EdCity new build development (see note 9).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

14 Restricted funds

	Balance as at 1 September 2019 £	Income £	Expenditure £	Balance as at 31 August 2020 £
Restricted funds	—	295,225	(295,225)	—

Thanks to the generosity of our donors, we have been able to sustain our investment in the delivery of Masters in Expert Teaching and the capacity of our design team, undertake critical research into 'whole-child development' and support staff costs to recruit and deliver our programmes in the Liverpool City region. Furthermore, our donors have funded research into best practice in high performance for teachers, the advance of digital training platforms to deliver teacher training, as well as ongoing support for Expert Middle Leaders, Future Leaders, and 'professional pathways' programmes for educators, as well as our newly designed Closing the Gap programme, which is a direct response to Covid-19. We would like to thank Credit Suisse, our legal partners and all our funders for their generosity.

	Balance as at 1 September 2018 £	Income £	Expenditure £	Balance as at 31 August 2019 £
Restricted funds	—	281,789	(281,789)	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020

15 Analysis of net assets by funds

	Tangible fixed assets	Investments	Net current assets	Total 2020	Total 2019
	£	£	£	£	£
Unrestricted funds:					
General	—	—	3,556,834	3,556,834	3,401,245
Designated	679,733	3,500,000	—	4,179,733	6,266,708
	<u>679,733</u>	<u>3,500,000</u>	<u>3,556,834</u>	<u>7,736,567</u>	<u>9,667,953</u>
	Tangible fixed assets	Investments	Net current assets	Total 2019	
	£	£	£	£	
Unrestricted funds:					
General	—	—	3,401,245	3,401,245	
Designated	766,708	5,500,000	—	6,266,708	
	<u>766,708</u>	<u>5,500,000</u>	<u>3,401,245</u>	<u>9,667,953</u>	

16 Related party transactions

Ian Hale who served as a trustee, is also a senior employee of Credit Suisse. Ambition Institute received a fundraising gift of £168,810 (2019: £61,000) from Credit Suisse during the period.

None of the trustees were reimbursed expenses in the year ended 31 August 2020 (2019: Nil).

Certain trustees are also involved with organisations that are customers of Ambition Institute. All such transactions are at arm's length in both the current and comparative period. There were no other related party transactions or balances to report for the year ended 31 August 2020.

17 Lease commitments

At 31 August, Ambition Institute was committed to making the following payments under non-cancellable operating leases:

	2020	2019
	£	£
Less than 1 year	501,268	313,721
2-5 years	577,011	529,467
	<u>1,078,279</u>	<u>843,188</u>

In January 2020, Ambition Institute moved premises from Kingsway to Shepherd's Bush for a period of two years which has increased the operating lease commitments.

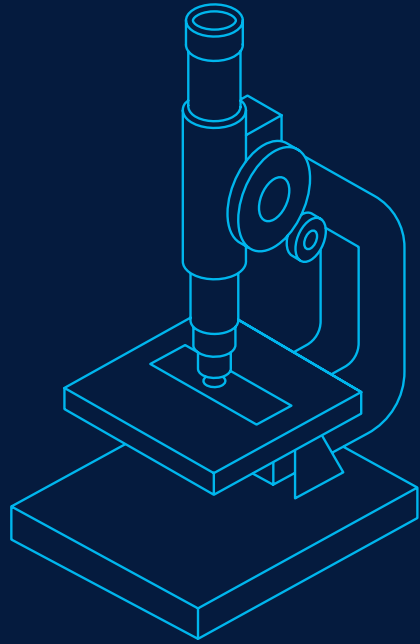


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