THE ENGINEERING DEVELOPMENT TRUST

England & Wales · Charity number 1156066

Details

Status	Registered
Legal form	Charitable company
Company number	08879288
Registered	2014-03-07
Register	View on the Charity Commission register

Contact

Address	Weltech Centre Ridgeway Welwyn Garden City Hertfordshire AL7 2AA
Phone	01707871504
Email	info@etrust.org.uk
Website	http://www.etrust.org.uk/

Activities

Objects: THE OBJECTS OF THE COMPANY ARE, FOR CHARITABLE PURPOSES, THE ADVANCEMENT OF EDUCATION FOR THE PUBLIC BENEFIT INCLUDING (WITHOUT LIMITATION) BY THE PROMOTION OF THE STUDY OF SCIENCE, TECHNOLOGY, ENGINEERING AND MATHEMATICS AMONGST YOUNG PEOPLE AND THE FURTHERANCE OF ANY OTHER CHARITABLE ACTIVITIES FOR THE ADVANCEMENT OF EDUCATION AS THE DIRECTORS THINK FIT.

Activities: The Engineering Development Trust changed its legal status to a company limited by guarantee (company number 8879288) on 1st April 2014 and transferred all of the operations, assets and liabilities of the Charitable Trust (Charity number 1002459) to this new charity number (1156066) on that date.EDT is the largest provider of STEM enrichment activities for young people in the UK

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

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Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£1,929,900	£2,295,000	£1,362,900	46
2023-08-31	£2,959,500	£2,342,000	£1,614,300	43
2022-08-31	£1,987,400	£1,911,100	£1,052,000	44
2021-08-31	£1,697,400	£1,842,100	£1,231,500	47
2020-08-31	£2,768,000	£2,793,900	£1,146,200	66

Trustees

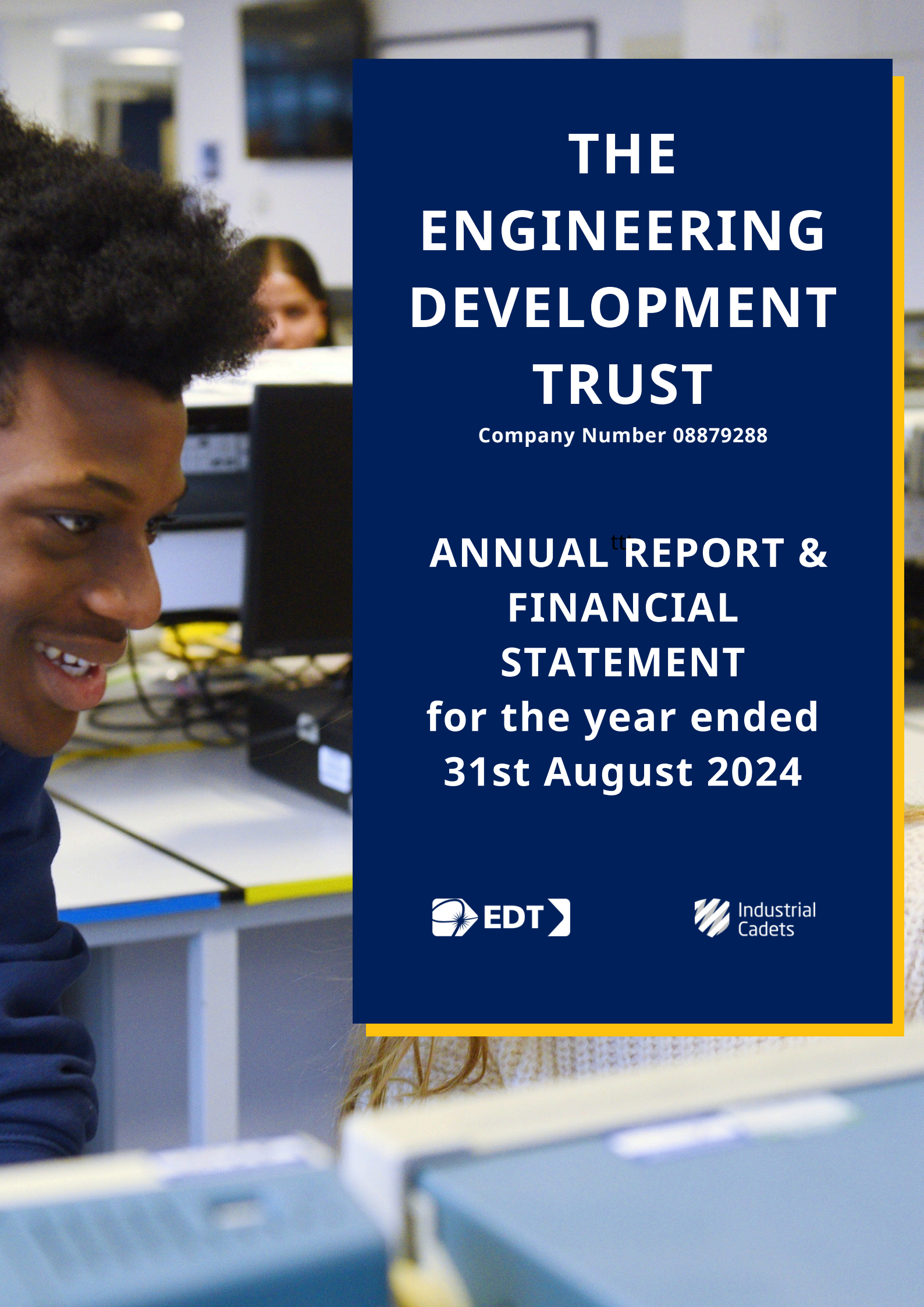
Name	Role	Appointed
Professor Elena Maria Rodriguez-Falcon	Chair	2021-05-14
Alpana Warke Vijayaraghavan		2025-10-23
Dominic Waring		2023-09-21
Iain Duncan Kinnis		2023-10-19
Jacob Mynard		2025-04-24
Jonathan Simmons		2023-10-19
Katie Jane Mawdsley		2024-01-25
Keith Brady		2025-04-24
Olivier Usher		2023-10-19
PROFESSOR CATHERINE ANN HOBBS		2025-10-23
Paul Alan Senior		2021-06-07
Robyn Vincent		2023-10-19
Stuart Aitkenhead		2025-10-23

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THE ENGINEERING DEVELOPMENT TRUST

England & Wales - Charity number 1156066

Accounts



THE ENGINEERING DEVELOPMENT TRUST

Company Number 08879288

ANNUAL REPORT & FINANCIAL STATEMENT for the year ended 31st August 2024

EDT

Industrial Cadets

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FOREWORD

"As we present the 2023/24 Impact Report for EDT and Industrial Cadets, I am filled with immense pride in what we have achieved together as an organisation and in the lives we have touched. Our mission—to provide equal access to STEM education and industrial experiences for all young people, inspiring them towards careers in STEM industries—is not just a statement; it is a commitment that drives our every action."



JULIE FEEST
Chief Executive at EDT and Industrial Cadets

In today's rapidly evolving landscape, the demand for work-ready young talent is more crucial than ever. At EDT and Industrial Cadets, we address this need by providing a comprehensive approach that equips young people with both employability and technical skills through our Industrial Cadets initiative.

Our tailored programmes engage youth at key educational moments, supported by collaborations with employers at local, regional, and national levels. With 70% of leaders facing challenges in finding diverse early talent with the right skills, our initiatives are essential for creating a stronger workforce.

The impact of our work is evidenced by the significant milestones we have achieved. As we celebrate the remarkable achievement of 250,000+ Industrial Cadets experiences to date, we remain steadfast in our ambition to inspire one million young people to pursue careers in industry by 2035. Our accredited awards and structured programmes foster creativity, innovation, and resilience—qualities vital for success in today's workforce.

By partnering with key sectors like Energy and Manufacturing, we are well-positioned to address future industry demands, including Net Zero and Green Skills.

As you explore this report, I encourage you to reflect on the transformative stories of young people impacted by our programmes. I extend my gratitude to our partners, supporters, and the EDT team for their commitment to our mission. Together, we are making a lasting impact, and I am excited about what we will achieve in the years to come.

A YEAR IN NUMBERS: CELEBRATING MILESTONES & IMPACT

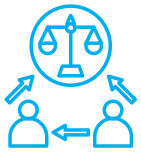


250,000 Industrial Cadets experiences to date



1.7 million + hours of transformative learning delivered to young people across the UK

50% Ethnic Minority Representation



1,383 Educational Institutions Engaged



45% Female Participation



40% Students Entitled to Free School Meals (FSM)



878 Passionate Volunteers Mobilised



318 Industry Partnerships Cultivated



In 2024 we celebrated achieving 250,000 Industrial Cadets experiences, with our ambition to inspire 1 million young people to embrace jobs in Industry by 2035.

DELIVERING 250K INDUSTRIAL CADETS EXPERIENCES

Having celebrated hitting the milestone of delivering 250,000 Industrial Cadets experiences this year, we are passionate about continuing our transformative journey to empower young people and bridge the skills gap. Our ambitious goal is to inspire 1 million young people to pursue careers in industry by 2035, fostering a skilled, diverse, and innovative workforce. Through the Industrial Cadets programme this year alone, participants have engaged in transformative learning experiences, dedicating more than 1.7 million hours to equip them with the skills and confidence for success.

In July 2024, we celebrated the milestone of delivering 250K Industrial Cadets Experiences across the UK at an event held in London with our Board of Trustees, EDT Staff, our partners and student alumni. To watch the event video, please click **here**.











OUR TAILORED PATHWAY OF PROGRAMMES

We are dedicated to supporting young people at every pivotal moment of their educational journey, offering a diverse range of programmes from Challenger through to Platinum level. Our initiatives and the Industrial Cadets awards scheme, provide bespoke activities designed to enhance employability skills and connect young people with industry pathways.

Industrial Cadets: Challenger Experiences	Hands-on, themed workshops for students aged 7 to 14
Industrial Cadets: Bronze Mentored Projects	12 week projects for students aged 11 to 14 to gain key skills whilst collaborating as a team
Industrial Cadets: Bronze Routes into STEM	A 3 day experience for students aged 13 to 17 to showcase routes into STEM education & careers
Industrial Cadets: Silver Work Experience	Virtual Work Experience for students aged 14 to 16, taking place on site over 4 days
Industrial Cadets: Silver Insight into University	Virtual & residential programmes for students 16+ to explore STEM studies & careers
Industrial Cadets: Gold Mentored Projects	20 week projects for students aged 16 to 18, to undertake real-life STEM challenges
Industrial Cadets: Platinum Placements	Industry placements for school leavers offering a 10 to 12-month paid work placement

DEVELOPING THE WORKFORCE OF THE FUTURE

In today's dynamic workforce, equipping young people with essential work-readiness skills is vital for their career success. EDT and Industrial Cadets play a crucial role inspiring and empowering young people through innovative programmes and hands-on experiences.



We offer two distinct programmes to support young people's educational and career journeys: Structured EDT programmes and the Industrial Cadets awards scheme.

Our structured programmes create a clear pathway for youth to build essential work readiness skills and foster a passion for STEM. Beginning with the Challenger level, students develop foundational skills and progress through Bronze, Silver, Gold, and Platinum levels, each offering increasingly targeted experiences that prepare them for the workforce.

The Industrial Cadets scheme, patroned by His Majesty the King, provides accredited industry-based experiences that bridge education and employment. Together, these programmes empower young people with the skills and confidence needed for success in a rapidly changing job market.

"It is a great opportunity for students to have an insight into engineering before committing to a career in the field, as well as being able to work with local engineering companies to have a step in the door to joining future schemes." - Mentor, Liberty Steel Group

"I've become more confident in how STEM can spread into apprenticeships – before I believed university was the only route, so now it is exciting to know there are many different pathways." - Student, Industrial Cadets Silver Insight into Apprenticeships

DEVELOPING THE WORKFORCE OF THE FUTURE

Meet Zenisha Peterkin and Charlotte Martin, two alumni whose journeys showcase the power of mentorship. Zenisha gained confidence as a female engineer through EDT and Industrial Cadets, while Charlotte developed problem-solving skills and assertiveness during her GSK placement. Their experiences underscore the vital role of support and hands-on learning in career development.

Zenisha Peterkin

Alumni Student & Mechanical Engineering Graduate



"I first started at EDT when I was 14 years old and since then I've been on a number of different engineering courses with them. With EDT's inspiration and support as a female engineer, I genuinely feel empowered to take on a career in engineering. And I think without EDT's support, I never would have had the confidence to apply for jobs that I didn't think I was qualified to apply for."

Charlotte Martin

Alumni Placement Student at GSK



"I found before my placement year I sometimes had a lot of self-doubt, particularly around my own ideas, however placement taught me to be more assertive, trust my own judgements and decisions and be confident to make suggestions. I have grown in confidence and critical problem-solving skills, allowing me to work through scenarios logically and methodically which I have applied during my final year at university and I know I will prove invaluable in my future career."

BUILDING WORK-READINESS SKILLS FOR YOUNG PEOPLE

Inspiring curiosity and engagement

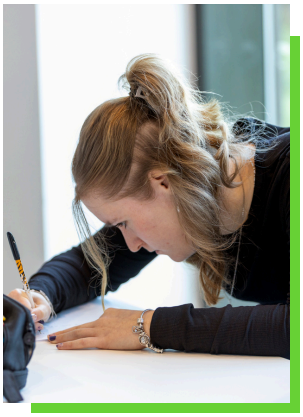
EDT and Industrial Cadets create structured environments that foster exploration and inquiry, engaging **56,847** young people in 2023/24 and equipping them with essential work-readiness skills while encouraging them to envision their roles in STEM fields. This impactful approach builds confidence and promotes viewing challenges as growth opportunities.

"I really enjoyed working with new people and testing my own communication and critical thinking skills. I also became much more confident in my own future, and I know now that I definitely want to go to university." - Student, Industrial Cadets Bronze Routes into STEM

"My mentors were incredibly helpful with every aspect of the project and taught me a lot about the different decisions that have to be made when considering the materials to use and how it will work. I have developed many new skills from this experience and have them to thank for this." - Student, Industrial Cadets Gold Mentored Projects







BUILDING WORK-READINESS SKILLS FOR YOUNG PEOPLE

Building core employability skills

Our programmes go beyond traditional education by nurturing essential employability skills, empowering young people to excel and thrive in a rapidly changing professional landscape.

Through hands-on projects, presentations, and collaborative tasks, young people enhance their self-esteem and develop a range of core employability skills including creativity, innovation, digital literacy, confidence, and resilience, all of which are essential for workforce readiness



"I had an amazing experience during this project and have learnt a lot about the company Avantor and its operations. This project has given me great amounts of information about how to prepare for interviews and how to write CVs and personal statements which will be very important in my future education and career. - Student, Industrial Cadets Silver Virtual Work Experience at Avantor

"I found my project amazing and very interesting. It has helped me develop skills that I may have never used before or not to such an extent. My mentoring companies Leonardo and London Luton Airport and my teachers have supported me throughout my journey in this project and have enabled me to work outside of my comfort zone. Overall, this project was truly engaging and granted me a lot of learning experience which I can use during my future education and career." - Student, Industrial Cadets Bronze mentored projects

100% **of students in placements found value in applying STEM knowledge hands-on**

94% **of young people expressed increased interest in STEM careers due to their experiences**

EMPOWERING THROUGH INCLUSIVE OPPORTUNITIES

We play a crucial role in providing inclusive opportunities for young people from all backgrounds to explore and excel in STEM fields. By promoting social mobility, embracing diversity, and fostering inclusion, these initiatives transform individual lives and contribute to a more equitable society. Our targeted outreach strategies engage young people from underrepresented and under-resourced communities.

Creating social impact

EDT and Industrial Cadets programmes generate significant social impact by fostering community development and cultivating a diverse talent pool for the STEM industry. By empowering young people through technical and soft skills training, we enhance individual prospects while contributing to the overall well-being of communities.

With the demand for skilled workers in STEM often outpacing supply, EDT and Industrial Cadets address this skills gap through tailored offerings and industry exposure. Our collaboration with industry partners ensures programme alignment with market demands, preparing a workforce equipped with essential skills that contribute to economic growth.

50% of students are from ethnic minorities

45% of young people identify as female

60% of students engaged are from quantile 1-3 regions with low to average higher education participation

56,847 young people engaged, showcasing the significant social impact of our initiatives





EMPOWERING THROUGH INCLUSIVE OPPORTUNITIES

Enabling upward mobility - transforming lives

EDT and Industrial Cadets are vital catalysts for upward mobility, equipping young people with the skills, knowledge, and networks to overcome socio-economic barriers and succeed in the workforce. Our hands-on programmes provide essential technical skills relevant to various STEM fields, building competence and confidence that make students more attractive to employers.

In addition to technical expertise, our programmes emphasise soft skills—communication, teamwork, problem-solving, and critical thinking - essential for career advancement. Apprenticeships and industry visits further enhance personal development, helping participants navigate workplace challenges and collaborate effectively.



"It really helped me discover how to work on group projects and work with deadlines to keep on track with the project and to communicate with teammates. It also showed me that I enjoyed the technology and the coding part to making our rover, so I will be looking down the route of computer science and electrical engineering." - Student, Industrial Cadets Gold Mentored Projects

"I have gained a numerous number of valuable skills throughout this year placement. My communications skills have developed in terms of being able to speak in front of large audiences. Problem solving skills have been utilised when I have been given tasks that are difficult and requires me to think outside the box. Time management skills when having work that needs to be completed at a specific time. Teamwork skills and leadership skills have played a role in my ability to conform work within the company to a much higher standard through taking on advice from my colleagues." - Industrial Cadets Platinum Placement Student

91% **of young people felt more connected to employers as a result of their experiences**

86% **of students reported a remarkable boost in confidence, empowering them to step out of their comfort zones and engage with individuals they once considered out of reach**

STRENGTHENING PARTNERSHIPS FOR COLLECTIVE IMPACT

EDT and Industrial Cadets emphasise the power of collaboration in STEM education and industrial skills development through strategic alliances with employers, educators, and non-profit organisations.

Building a pipeline for future talent through collaborative engagement

Together, we collaborate and unite to provide a funnel of diverse early talent interested in entering the STEM industries, answering the needs of growth in areas such a Net Zero, Green Skills, AI, Data Science, Cyber and Health.

To excite and inspire young people, we align what is important for society, industry and education and work in partnership to drive forward a shared vision, creating opportunities for young people, and solutions for industry.

Through the Industrial Cadets accreditation awards scheme, we quality benchmark outreach and education programmes delivered by partners, industry, and institutions. Over 40,000 young people received awards through partner programmes: from individuals and small groups of students taking part in courses, working on projects or within placements to large cohorts taking part in UK wide education programmes - we accredit national and local outreach programmes delivered by industry, charity, and education partners.

Coleg Cambria

Coleg Cambria, a further education college successfully ran a Silver Work Experience placement with TATA, JCB, Kronospan, and Networld Sports, highlighting practical engineering applications.

STEM Learning Centre - M44 Project

The M44 Project offers Year 9 Gold level students a transformative 20-week program of immersive sessions that ignite interest in STEM careers. Through creative mentoring and coaching, dedicated mentors empower students to build self-awareness, resilience, and motivation, inspiring them to pursue STEM options as they prepare for their future.

STRENGTHENING PARTNERSHIPS FOR COLLECTIVE IMPACT

The Institution of Engineering and Technology (IET)

EDT and The IET are working together to support young people on their education pathways through education to employment, providing quality education and outreach programmes and awards to demonstrate and celebrate achievements. Young people taking part in The IET's education programmes: First Lego League Explore and Challenge, and The Faraday Challenge achieve their Industrial Cadets awards across different Industrial Cadets levels.

Baker Hughes - Girls Get Set

The Girls Get Set programme inspires young women to explore careers in Science, Engineering, and Technology (SET) through multiple engaging activities. Initially at the Bronze level, the programme has expanded to include over 700 students with plans for a Gold level next year.

Kim Larham expresses her enthusiasm: "We're doing things that we've never done before, and I'm excited because it will bring more people into the fold. There is nothing I love doing more than talking about the program for 20 minutes over a coffee, throwing ideas around about how we can do things differently, and seeing the spark of passion for the brand ignite in other people."

Learnbase Co - Air Quality STEM Challenge

Year 9 students tackled real-world air pollution issues, working in teams as project managers, policy advisors, data analysts, engineers, and coders. The teams built sensors to collect data, analyse it against WHO standards, and proposed evidence-based policy solutions for their schools.

Supported by Physics with Kate's STEM Workshops and Mums for Lungs, each student earned an Industrial Cadet Challenger Award, recognising their dedication to STEM and community improvement. This successful initiative not only enhanced essential skills but also inspired a passion for STEM careers, paving the way for an annual event that empowers young innovators to create meaningful change.

GSK & Haleon - Supporting students attain Platinum wards

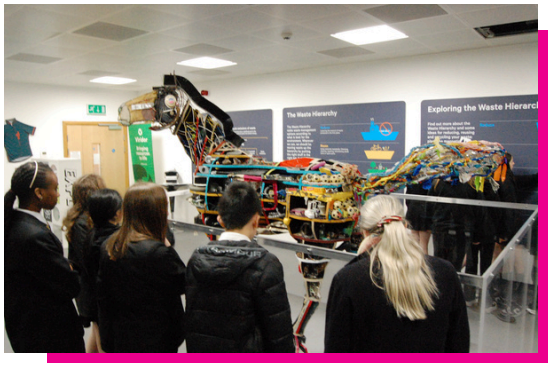
GSK and Haleon both achieved Platinum and Platinum Leader awards for their university students during their 1-year placements. GSK has seen a renewal in participation, with an increasing number of students wanting to take part, while Haleon, which accredited with us for the first time last year as a trial, expressed satisfaction with the outcome, showcasing a growing student interest in STEM fields.

STRENGTHENING PARTNERSHIPS FOR COLLECTIVE IMPACT

Championing Environmental Education with Viridor

Energy company, Viridor has partnered with EDT for over 12 years, collaborating to deliver STEM programmes for young people across their local authority partner areas such as Glasgow, South Lanarkshire and Clyde Valley. Viridor has been involved in a range of exciting programmes and work experience, including the Industrial Cadets Bronze Programme – an annual sustainability competition aimed at secondary school pupils. This programme, among others, aims to develop knowledge and understanding of science, engineering and technology through project work.

The partnership aims to result in future STEM talent realising exciting employment opportunities in a key growth sector, supporting the development of the future workforce.





"Viridor's long term partnership with EDT has facilitated the delivery of a suite of educational programmes creating bespoke STEM opportunities for young people across our local authority partner areas. Viridor looks forward fulfilling further educational opportunities in years to come via our collaborative partnership with EDT." - S. Don, Head of Contracts, Viridor

STRENGTHENING PARTNERSHIPS FOR COLLECTIVE IMPACT

Developing Sustainable STEM Skills with Ørsted

EDT was awarded a two-year grant from Ørsted's Walney Extension Community Fund. In the first year of the programme, 300 young people engaged in experience days, enhancing their STEM skills and knowledge through hands-on activities and extra-curricular learning, while earning an Industrial Cadets Challenger Award.

Twenty-five students immersed themselves in STEM, undertaking a sustainability-themed challenge over 12 weeks with the support of an industry mentor, culminating in the achievement of an Industrial Cadets Bronze Award. Students not only developed their STEM skills and knowledge but also honed essential life and work skills, such as teamwork, communication, and problem-solving.

"This is a great example of the Walney Extension Community Fund showing Ørsted's dedication to nurturing young talent and empowering the next generation through educational and developmental opportunities. Well done to all involved." - Emma Toulson, Head of Stakeholder Relations for Ørsted

"From this project, I gained a lot of knowledge on sanitation. I discovered the existence of solar stills which are devices that remove salt and other contaminants from ocean water, using solar power. I learned how to work as a team efficiently and assign different roles according to each person's strengths and weaknesses. Overall, this project was a great experience, and I was able to learn different skills which boosted my confidence, and I was able to work with people I've never worked with, making great friends." - Industrial Cadets Bronze Project student

Walney Extension Community Fund

90% **of students said it helped their teamwork skills**

73% **of students that taking part gave them confidence that anyone can have a STEM career if they want to**



STRENGTHENING PARTNERSHIPS FOR COLLECTIVE IMPACT

STEM Learning UK Improves Science Capital

Funded by STEM Learning, EDT delivered pilots using multiple Industrial Cadets accredited activities to add further value and STEM experiences for young people from underrepresented groups.

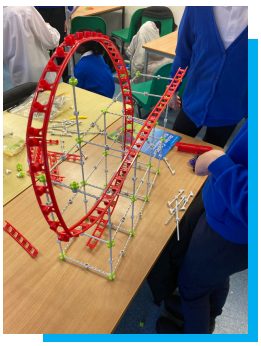
Working with Primary schools in Hertfordshire/Bedfordshire, we provided STEM workshops for Year 5 and 6 pupils who have limited opportunities to hear about STEM careers. In addition, we piloted a family STEM event as we see improving family science capital being an equally vital task.

> *"I'm sure you can see from the community we serve, how invaluable the experience was for our children. It really helps to give our children aspiration and a better understanding of careers and skills involving STEM". - Garden City Academy Teacher, Lucy Hopkinson*

We were also able to support students in Year 9, which is an important time for young people making their GCSE choices. We piloted our Industrial Cadets Bronze Mentored Projects and Routes into STEM, which allowed the pupils to benefit from STEM skills development while also gaining a better understanding of the best routes into STEM careers.

> *"It has opened my eyes to see how broad STEM careers are and I am proud to say it has changed my mind about not taking a career in STEM." - Bluecoat Trent Academy student*





85% **of students said their teamwork skills and resilience were excellent or very good – an increase from 60% at the start of the programme**

100% **of students agreed that taking part gave them the confidence that anyone can have a career in STEM if they want to**

STRENGTHENING PARTNERSHIPS FOR COLLECTIVE IMPACT

ScottishPower Inspires the Next Generation

ScottishPower and EDT work in partnership to support students entering work through the Year in Industry programme (YINI). ScottishPower gain access to dedicated, diverse and highly prepared students which add value to their existing workforce, while the students learn a range of skills to support professional development and growth at the beginning of their careers.

"The energy sector is at the heart of the UK's net-zero agenda, and nurturing future talent is essential for the innovations and solutions required to reach this goal. At ScottishPower we view the YINI programme as more than a chance for young professionals to gain experience; it is a critical investment in skills that will shape a sustainable future. EDT's extensive experience in placing students within STEM industries means that they have perfected an approach that consistently delivers industry-ready talent. By partnering with EDT, we gain access to dedicated, highly prepared students who demonstrate strong commitment and drive for professional growth." - Social Projects & Sector Education at ScottishPower



180% **growth in student recruitment over 4 years**

38% **of recruits from non-British backgrounds, reinforcing inclusivity commitment**

"The YINI has been a foundational step in my career, giving me a balance between independent work, responsibility, and freedom. I believe the placement prepared me for work after university, opening a career path in People Services within ScottishPower, and coaching me in skills such as office communication, teamwork, and IT. The YINI volunteering activities were excellent opportunities for networking with other YINIs and developing organisation skills." – Jithin Thomas, former YINI student who is now a permanent employee at ScottishPower

LONG TERM IMPACT AND FUTURE GOALS

Empowering tomorrow's workforce: a journey of impact and transformation - celebrating 250K engaging experiences for young people, striving for 1 million inspired by 2035.

EDT and Industrial Cadets are on a transformative journey to empower young people and bridge the skills gap. Our ambitious goal is to inspire **1million** young people to pursue careers in industry by **2035**, fostering a skilled, diverse, and innovative workforce.

Our commitment

Expand reach and impact

Expand our programmes to reach underserved areas and underrepresented groups, ensuring equal access to opportunities

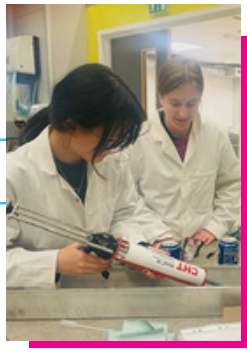
Future-proofing skills

By integrating project-based learning and real-world challenges into our initiatives, we enhance students' skills while simultaneously cultivating work-readiness. This encourages critical thinking and creative problem-solving for their careers.

Sustainable impact

Our impact goes beyond individual success, nurturing collective talent and fostering inclusivity and break cycles of limited prospects. We are committed to preparing students for the changing job market, driving community growth for a brighter future.





PERFORMANCE AND ACHIEVEMENTS

We have continued to develop our service and programmes to meet the needs of our beneficiaries and funders in a volatile marketplace, mindful of the changing needs of our funders.

We have seen challenges for funders in terms of; increased applications for grants, staff reductions and re-organisations, with greater emphasis on return-on-investment required for outreach leading to recruitment.

A significant change has been the increased importance of development of work-readiness skills for young people, where Industrial Cadets Awards can show an improved employability characteristic that companies need for successful recruitment into early careers. Despite these challenges, the charitable company showed an improved result over budget target after investment revaluation and release of pension provision.

The hybrid method of delivery continues to deliver with excellence, with activities delivered either face-face or virtually, taken in mind the needs of the schools, the geographic location and most impactful way to deliver the specific activity.

Consultation with Stakeholders

Changes to our schemes and activities have been based on feedback from our funders, partners, staff and beneficiaries to ensure we offer the best service we can. We received overwhelmingly positive feedback from all stakeholders, as they appreciated our agile, flexible and tailored approach building new content on some of the exciting changes in the industry such as Green Jobs.

It has been a difficult year for funders and we continue to engage with them to understand how their own issues could affect charity support. This is true from large multi-national to small businesses, where effects of the changing marketplace have meant rescaling, restructuring and in some cases reduction of staff.

While this is the case for companies, many could not focus on supporting the charity as they have done in the past, but we continue to engage with them to ensure they are supporters for future years. To be successful in this volatile marketplace, adaptability has been key and our bespoke offerings fruitful in developing content and activities supporting employers and students' needs.

For Trusts and Foundations, their funds have been stretched even further over this last academic year with larger numbers of charities, who have had to diversify as their normal funding channels dried up, requesting funds. We continue to focus on stewardship and manage these relationships to ensure we continue to be considered in this difficult climate.

Consultation with Stakeholders continued

A particular focus for this year has been with consultation with employers who work with us on our Industrial Cadets Gold Project during their first year at college. During an extensive consultation with the employers, we talked to them about their needs, and our focus on charitable objectives inspiring young people and the need to build stronger work readiness skills such as teamwork, resilience, design, creativity and presentation.

Through analysis of the feedback, the charity could move forward with confidence to put in place a plan to alter the delivery model for the Industrial Cadet Gold Project programme, safe in the knowledge that the majority of employers would support this renewal.

Our vision, ambition and messaging were developed particularly for Industrial Cadets looking ahead to 24/25, with the major milestone of reaching 250,000 Industrial Cadets experiences in July 2024, with help and consultation with our funders and Ambassadors, continuing to focus on industry-specific solutions to help drive the economy and a diverse talent pool for the future. This led to an ambition to inspire one million young people to embrace jobs in industry by 2035, led by our Ambassadors.

We were also delighted that Buckingham Palace confirmed that our Ambassadors could be renamed as 'The King's Ambassador for Industrial Cadets' once His Majesty King Charles III announced his continued patronage of the Industrial Cadets programme.

Flexibility for Funders

EDT continue to work in partnership with corporates (small, medium and large), trusts, foundations, grant givers, and public funders supporting the work we do for young people across the UK.

With a focus on improving access to STEM education for young people from under-resourced and underrepresented groups, we work closely with partners to understand their early careers strategy, strategic objectives and goals and how these align with our own charitable mission and vision.

Working in collaboration, we create pathways for students through education to employment by; delivering existing EDT programmes, developing bespoke/tailored education programmes and partners can use the Industrial Cadets accreditation as a quality benchmark for their own outreach and education activities.

We are able to provide added flexibility through hybrid delivery, offering opportunities for industry and young people to engage in person and virtual.

Sector and Theme Focus

The charity has seen continued success moving away from a generic STEM theme to one focused on specific subjects in areas such as Environmental Sustainability, Circular Economy, Net Zero, Cyber, AI, Aerospace and Health.

The focus on sectors and specific topics appeals to students and funders, with EDT uniquely positioned with its strong links to industry and schools/universities and experience in creating curriculum-aligned exciting, relevant content, specifically focused on Green Jobs and transition to Net Zero ambitions for industry during the year.

Digital Learning Platform

Throughout the 23/24 period we continued to utilise our Digital Learning Management System for virtual delivery, investing in the development of new content and bespoke services to enhance the interactive learning experience for students.

The platform offers several advantages to students, enabling them to progress through courses at their own pace and seamlessly resume from where they last left off when they have spare time. Students can easily track their course completion progress, participate in live or recorded sessions, and upon completion, receive their digital Industrial Cadets Award.

We remain vigilant in monitoring feedback from students and teachers to ensure that the platform continues to align with their evolving needs, both in terms of technological functionality and flexibility. This ongoing assessment ensures that we uphold high standards of usability and relevance in our digital learning environment.

The Engineering Development Trust in Scotland
(EDT is a separately registered charity in Scotland, number SC039635)

The team continued collaborating with stakeholders across Scotland, with ongoing support from key partners like Viridor, successfully delivering the Bronze project across five local authorities.

The in-person and virtual Challenger scheme remains strong, with renewed interest in Family Challenges and FunSTEM. The team delivered FunSTEM project in three learning communities working with Clyde Gateway and reaching 496 primary pupils.

They also delivered a FunSTEM and Bronze project in two Additional Supports Schools in collaboration with Developing Young Workforce (DYW).

The Gold project saw lower engagement this year, with only six teams completing it. The Bronze project remained consistent, with 333 pupils participating.

EDT secured two new large contracts in Scotland, including a three-year partnership with The Gannochy Trust, expanding opportunities to engage with schools in Perth & Kinross on multiply pathways from primary to secondary. Additionally, the success of the SSEN Transmissions proposal marked the beginning of a strong relationship, enabling the team to deliver Challenger sessions virtually in over 20 primary schools and in person at 9 high schools across the Angus, Highlands and Shetland regions.

PLANS FOR FUTURE PERIODS

The next year starts with a strengthened position for the charity to follow a stringent process of strategy development, with assistance from a trustee who is a strategy consultant. We will go through a process with the board and executive team to understand the market needs, our goals and aspirations, our strategic objectives with a renewed vision and mission, due to be launched in April 25.

Alongside this major work on strategy development, we continue to work with funders on pilot programmes, testing and trialling new ideas to help students in this important period, building work readiness skills leading to employment such as our new 'Insight into Apprenticeships' programme.

We will continue and develop the concept of 'Sector Partnerships' around a specific industry, with employers and other organisations coming together and working collaboratively for greater impact for young people, producing a more diverse talent pool for them to work from when they recruit. An example of this would be in the Manufacturing sector with Make UK in the Midlands and their local employers and the Energy sector in Scotland with SSEN Transmission. The plan moving forward for the next year is to expand and grow these partnerships, with others focused on for example the digital, nuclear and hydrogen sectors.

This approach moves EDT away from a short-term focus to an adaptive way of working which renews the vitality and competitiveness of us as an organisation and our conversation with funders. It recognises the need for systemic change, strategic experimentation and organisational flexibility.

A growth mindset is needed throughout this strategic change. For long-term growth and innovation, the charity needs to invest in new approaches to drive growth and move to an outward looking, growth-focused culture.

Pilot programmes investigated include:

An Industrial Cadet Pathway which will take students on a journey of discovery through multiple interventions in a specific location.

A new apprenticeship scheme to support young people within two regions of the UK.

Industry-specific approaches in areas such as manufacturing, energy and nuclear; focusing on Green Jobs of the future. Highlighting how Industrial Cadets can create collaboration across industry and other organisations to meet the growing demand for a diverse talent pool for the future. For greatest impact, this approach will be supported by content built on themes which are relevant to the region as well as industry.

PLANS FOR FUTURE PERIODS continued

The strategy and business plan recognises the changing funding environment for all sectors with which the charitable company works, including the effect of the economic environment on companies, the on-going impact of changes in the education sector and the expansion of apprenticeships and T-levels. The broad approach is to focus on the young persons' continuing experience through Industrial Cadets Awards, with particular focus on disadvantaged young people who were most affected by the impacts of the pandemic.

The strategy maintains that the student needs lie at the heart of our work, considering the different needs that they may have, dependent on socio-economic background. A stronger focus on account management for our key sponsors is particularly relevant in this period of economic decline, with increased work on digital presence to ensure funders feel their support is recognised within social media and thus their brand is better recognised for their commitment to young people.

The focus on further widening participation will remain with continued development of the charitable company's diversity activities such as bursaries where appropriate, creating bespoke content for Experience Days relevant to the local job prospects and explaining the variety of pathways to a career through Routes into STEM.

Industrial Cadets provide the strength to pull the activities together, creating a journey for a young person, when they need many interactions to sustain confidence and belief in their skills and prospects.

EDT will continue in a stable hybrid delivery model in 24/25, mixing virtual and face-to-face where it adds value. Virtual delivery will continue as it allows us to reach more students with our limited funds. We will continue to use the Learning Management System in our hybrid model, whilst assessing additional features including a shop for further advancements to our service.

We will focus on our fundraising activities and prioritisation, building upon a strong strategy within a changing external environment. The plan will include growth in Trusts and Foundations, with a particular attention to skills for fundraising larger bids and with philanthropists.

EDT SCHEMES REVIEW

EDT EXPERIENCES

Experience Days/Activities accredited at Industrial Cadets Challenger

Industrial Cadets Challenger activities continue to be in demand for both schools and funders. The scheme delivered an additional 22% activities compared to the previous year, the growth enables EDT to have impact on a greater number of young people due to the large audience the scheme can deliver to.

An important aspect of these is to bring the curriculum to life with hands on activities to inspire and educate the audience through different themes; such as Engineering and Coding being popular topics chosen in 2023/24.

Routes into STEM accredited at Industrial Cadets Bronze and Silver levels

Routes into STEM has experienced a decline in student numbers for face-to-face courses across the UK. Certain established areas and some new areas fully recruited, but others, even with fully funded courses, proved difficult to recruit for.

In 24/25, we will be offering both funded and fee-paying courses, necessitating a careful balance to meet the requirements of our partners. We will run fewer courses overall and evaluate geographical areas carefully to ensure we are only running courses in locations where we know there is proven student demand.

Following a decline in applications for the virtual course during the 22/23 period, which ran during two school holiday periods, we implemented changes for the 23/24 academic year. The virtual course was accessible throughout the academic year, allowing students greater flexibility in their study schedules. We did not find success by using this 'on-demand' method of delivery, which saw a decrease in student uptake and inefficiencies in delivery from a staffing perspective.

For 24/25 we have reverted to running the course during a specific school holiday, at Easter time, and we will assess the appetite. Due to the fact that over the last few years, and trialling different delivery patterns, the student engagement has steadily declined, we may decide that this is the final year to run the virtual Routes into STEM course.

The Routes into STEM 16+ courses which have now been running as an adapted model for a couple of years have continued in 23/24 as fully funded offerings. The silver level course which involves 2 days at different unis and 2 days at different companies has been successful. We will trial running the first fee paying version of these courses in 24/25.

EDT EXPERIENCES Continued

Insight into University accredited at Industrial Cadets Silver

Insight into University continues to maintain its popularity among students who are beginning to contemplate their UCAS applications. Both virtual and residential formats were offered again this year, driven by the persistent demand for both programmes. While there was a slight decrease in interest for the virtual offering, there was a notable growth in demand for the residential format. However, given the benefits of each format - the virtual offering providing a broad overview of STEM options and the subject-specific residential courses - there is sufficient justification to continue offering both.

In the 23/24 academic year, we expanded the residential program to include 10 courses, providing spaces for 314 students to participate. All the courses were full and oversubscribed.

The plan is to continue to grow the programme in 24/25 to 13 courses after positive conversations early on with existing and new university partners but given the recent funding issues for universities we will review the likelihood of this number taking place.

There has been a notable increase in the number of students requesting bursaries, and financial plans have been established to accommodate as many funded places as possible. However, securing funding for these activities proves to be challenging due to the high cost per student compared to other initiatives.

The virtual course, now in its sixth year, has become an established offering that can be delivered with relatively minimal resources while reaching approximately 500 students across the UK. Participation in the Insight into University courses leads to the attainment of an Industrial Cadet Silver Award.

Insight into Apprenticeships – funded pilot programme accredited at Industrial Cadets Silver

In 23/24 we launched the new Insight into Apprenticeship programme. This is a six-month, extra-curricular course for students to have a 30-hour programme over an extended time period that mixes face-to-face, virtual and independent study to inform and prepare students for apprenticeship opportunities.

The first cohort was made up of EDT alumni who had already completed a bronze award and were interested in apprenticeships. The second cohort started in September 24 and the students are participating from our focus areas in the Scottish Highlands and the West Midlands of England.

We have seen good levels of company engagement in the programme, which bodes well for continuation funding plans at the end of the current three-year pilot.

SCHEMES REVIEW continued

EDT MENTORED PROJECTS

Industrial Cadets Bronze Level Project

The Industrial Cadet Bronze Project is an extracurricular programme designed to enhance work readiness skills for students before they choose their exam subjects. It saw a 21% increase of uptake in 23/24 through various funding streams; trust & foundations, companies and schools compared to the 22/23 period.

This initiative is highly valuable for young participants, offering access to industry mentors, fostering the development of transferable skills, and providing opportunities for collaborative project work. The hybrid structure enables students to celebrate their achievements together and demonstrate their collaborative efforts whilst having opportunity to remotely work too, representing the world of work.

Industrial Cadets Gold Level Project

The Industrial Cadets Gold Project remains highly valuable for both educators and young participants, preserving its impact and quality through a hybrid delivery model since the pandemic.

The programme has transformed over the last few years with the highlight focusing on the work readiness and experience that the young people are gaining enhancing future opportunities for them by connecting and networking with potential future employers and employees. Additionally, companies recognising the potential work force of the future, the project offers students the opportunity to stand out during the application process by showcasing the skills they've developed and their commitment to personal growth.

Industrial Cadets Gold Project celebrated its 40th year in 2024.

Placements Accredited at Industrial Cadets Platinum

23/24 was the first year of the Placement scheme focussing on school leavers. We worked with existing companies, some new companies and a few who returned for the first time since pre-pandemic, understandably we stopped working with several companies who only wanted undergraduate students.

We continued to work with Scottish Power as our biggest client and they enrolled all Placement students through our scheme whether recruited by us or directly by themselves. Due to the volume of work provided, we offer them a bespoke service to recruit school leavers, undergraduates and graduates across all their business areas.

Placement recruitment at Scottish Power has increased significantly over the last few years with 90 vacancies for the 24/25 year. They appreciate the diversity of students that we can provide compared to their internal recruitment process. There remains a focus on new business to manage the risk of having such a high dependency on one company.

SCHEMES REVIEW continued

Industrial Cadets Accreditation (Partner Programme Accreditation)

The Industrial Cadets Community, comprising young individuals, educational institutions such as schools, colleges, and universities, alongside industry stakeholders, is experiencing consistent growth. There has been a year-on-year increase in the number of partners adopting Industrial Cadets accreditation as a benchmark for the quality of their STEM outreach activities.

We have achieved 318 Industry Partnerships cultivated: - nearly doubling the collaborations to provide valuable real-world experiences for students. Throughout the academic year, our partners have accredited programmes ranging from half-day workshops to more comprehensive projects, work experiences and internships.

We celebrated reaching 250,000 Industrial Cadet experiences in July 2024, and we have launched an ambition to inspire one million young people in industry by 2035.

Through our inclusive approach, we aspire to create a level playing field, ensuring young people across the UK have the chance to unlock their potential and pursue a successful future in STEM.

Our overarching vision entails the integration of Industrial Cadets into every school, inspiring one million young people to embrace career opportunities within the industry by 2035.

Moving forward into the next academic year (24/25) and beyond, we are committed to fostering partnerships with both industry and educational entities. Our objectives include elevating the visibility of Industrial Cadets, recognising achievements, and highlighting the successes of young individuals and their supporters.

FINANCIAL REVIEW

Income

The charitable company continued to adapt in response to a challenging funding market.

Total income for the year decreased by £1,030k, 35%, from last year to £1,929.9k. This was understandable after the large, £1,028k, one-off donation in 22/23 on closure of the Thomas Gerald Gray Charitable Foundation

income from other donations in the year increased by £112k overall and ended the year at £789k.

Charitable activities decreased by 10% overall with all schemes reduced by varying levels. Due to the restructure in 22/23 to focus on school leavers only and not graduates, Placements had the worst outcome, reducing by 22%. Experiences had a marginal decrease of 1% and projects fell by 6%. Industrial Cadets external accreditations and work experience fell by 20% but this was minor in value terms.

Expenditure

Total expenditure was £2,295k, a decrease of £47k or 2%, on last year which reflected an increase in staff costs offset by the release of the pension provision for the USS defined benefit scheme that moved into a surplus situation at their triennial revaluation.

Net Gains from Investments

The market revival saw investment funds held at CCLA give a £15.1k realised profit on disposal of £400k of funds invested in the year with £98.6k of unrealised gains at the year-end.

Net Income/Expenditure

The overall result for the year was a deficit of £251.4k, marginally worse than budget. The charity's unrestricted reserves at the end of the year amounted to £1,235.5k, above the minimum level required by the reserves policy. Restricted reserves at the year-end were £127.4k.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees' Report

The Trustees, who are also directors of the company for the purpose of company law, present their report and the audited financial statements for the year ended 31 August 2024.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, The Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Trustees' report should be read in conjunction with the Strategic Report on pages 3 to 20.

Administrative Information

The company number is 08879288.
The registered charity numbers are 1156066 for England and Wales and SC039635 for Scotland.

The registered address is Weltech Centre, Ridgeway, Welwyn Garden City, AL7 2AA.

The Trustees who served during the year are:

Elena Rodriguez-Falcon, Chair of Trustees
Georgina Harris
Mary Pooley
Helen Anderson
Paul Senior
Jon Bolton, Treasurer until 21/09/2023
Dominic Waring joined 21/09/2023, Treasurer from 21/09/2023
Robyn Vincent joined 19/10/2023
Iain Kinnis joined 19/10/2023
Jonathan Simmons joined 19/10/2023
Olivier Usher joined 19/10/2023
Katie Mawdsley (EDT alumna), re-joined 13/06/2024
Howard Mathers, left 19/10/2023
Peter Chivers, left 25/04/2024
Laura Steedman (EDT alumna), left 21/08/2024
Michelle Watiki (EDT alumna), left 21/08/2024

STRUCTURE, GOVERNANCE AND MANAGEMENT continued

Day-to-day management of the charity is delegated to the Senior Management Team (SMT):

Julie Feest, Chief Executive Officer
David Sobo, Director of Operations, joined 02/02/2024
Tim Miller, Finance Manager, joined 02/10/2023
Penny Tysoe, Funding and Communications Director
Ciara Duffy, Scotland Director/Delivery Director

The Board of Trustees and SMT are supported by the following professional advisers:

Bankers: CAF Bank Ltd, 25 Kings Hill, West Malling, ME19 4JQ
Investment Managers: CCLA Investment Ltd, 1 Angel Lane, London, EC4R 3AB
Auditor: Abraham & Dobell, 230 Shirley Road, Southampton, SO15 3HR
Solicitors: Blake Morgan LLP, New Kings Court, Tollgate, Chandlers Ford, SO53 3LG
Pension advisors: Spence & Partners Limited, The Culzean Building, 36 Renfield Street, Glasgow, G2 1LU

Governing Document

The Engineering Development Trust was incorporated on 6 February 2014 as a company limited by guarantee, formed specifically to accept the transfer of the assets and entire business from the Engineering Development Trust, a registered charity, number 1002459, constituted 8 March 1991. The incorporation resulted in a new registered charitable company number being issued, number 1156066. The charitable company is also a registered charitable company in Scotland, number SC039635.

Organisational Structure

The charitable company is run by a Board of Trustees, which sets and monitors strategy and policies. The trustees delegate authority to deliver the strategy to the Chief Executive and staff. Regular board meetings receive reports on all the principal activities of the charitable company from the Chief Executive and other members of the Senior Management Team.

The trustees have established standing committees, each with its own terms of reference for Governance and Trustee Nominations, Audit and Risk and Remuneration.

The charitable company aims to give people ownership of the job, delegate decisions to an appropriate level and encourage staff to exercise personal initiative to achieve results on behalf of the charitable company. Considerable delegation of authority is therefore made to the Chief Executive and through the Chief Executive to the scheme's functional and regional staff, who ensure those activities meet the needs of the intended beneficiaries.

The Engineering Development Trust has, amongst others, informal working relationships with the IET, Engineering UK and Make UK, whose educational objectives are complementary to those of the charitable company.

STRUCTURE, GOVERNANCE AND MANAGEMENT continued

Recruitment and Appointment of Trustees

The trustees regularly consider the mix of skills and experience needed to run the charitable company effectively and seek to recruit trustees to fill any vacancies. The Governance and Nominations Committee oversees the trustee recruitment process. Trustees are elected in accordance with the Memorandum and Articles of Association by members of the charitable company.

The Nominations Committee seeks a balance of representation from key stakeholder groups. It also seeks trustees who support the aims of the charitable company and are willing to make a contribution to its activities and, in addition, are sufficiently experienced to provide for effective governance.

At the Balance Sheet date there were 12 trustees (members), all of whom have limited liability of £1.

Trustee Induction and Training

New trustees are given an induction pack and meet with the Chair, Treasurer and Chief Executive to familiarise them with:

the charitable objectives
the obligations of the trustees
the operational framework for the charitable company strategy and future plans
resourcing and the current financial position, and the various activities of the charitable company

Risk Management

The assessment and management of risk is built into the day-to-day management of the activities of the charitable company and through mechanisms to ensure the long-term sustainability of its programmes.

A risk register has been developed using the Charity Commission template which is used to identify the main risks, their potential impact, likelihood and actions to mitigate them. The Audit and Risk Committee reviews and agrees these at least four times a year and the trustees receive reports by exception.

The charitable company's income is directly linked to the level of activity and is raised on a year-on-year basis. The level of participation by employers, educators and young people is significantly influenced by factors outside of the charitable company's control e.g. the economic outlook or government education policy. The reserves policy reflects and addresses the main risks identified by the risk register.

STRUCTURE, GOVERNANCE AND MANAGEMENT continued

Related Parties

None of the trustees receive remuneration or other benefits from their work with the charitable company. Trustees are required to provide details of other organisations in which they are employed or are linked with in another significant capacity and to report any contractual relationship with a related party. In the current year no such related party transactions were reported.

Key Management and Personnel Remuneration

The trustees consider themselves and the senior management team as the key management personnel of the charitable company in charge of directing, controlling, running and operating the Trust on a day-to-day basis. Details of trustees' expenses and related party transactions are disclosed in notes 9 and 23 to the accounts.

The pay of the senior staff is reviewed annually against benchmarking data from the charity sector and from the wider economy with additional adjustments being applied as required to support the recruitment and retention needs of the charitable company.

Reserves Policy

The trustees have reviewed the major risks faced by the charitable company to determine the level of reserves necessary to meet their commitments to young people, employers, educators and other stakeholders. This value of reserves is then expressed within a range and is subject to an annual review which includes the requirement to establish an action plan, should reserves fall outside of the range agreed.

The major risks identified and other elements considered included within the reserves policy are:

· Working capital requirements

· Unexpected deficit situation caused by a loss of major funding streams

· Strategic decision to close or significantly change an EDT scheme.

Investment Policy

Reserves not required to meet the short-term needs are invested with the aim of mitigating the impact of inflation on the value of those reserves and to generate annual income to support the work of the charitable company. The trustees review the investment strategy on a regular basis, receiving quarterly reports from the fund management company managing the investments, CCLA, which specialises in managing investments for charities.

The funds are currently invested in CCLA COIF Charitable Funds. The Audit and Risk Committee meets with the fund managers on an annual basis to review the performance of the portfolio in relation to the trustees' investment strategy. The Audit and Risk Committee makes proposals to the trustees, taking account of advice received, to implement changes to investments in line with the investment strategy.

STRUCTURE, GOVERNANCE AND MANAGEMENT continued

Our Charitable Aims

The objectives of the charity are the advancement of education for the public benefit including (without limitation) by the promotion of the study of science, technology, engineering and mathematics amongst young people and the furtherance of any other charitable activities for the advancement of education as the Directors (Trustees) think fit.

The Engineering Development Trust achieves public benefit by focusing on its mission, which is to help talented young people achieve their full potential, in particular, through careers in STEM (science, technology, engineering and maths).

The trustees confirm they have complied with their duty in the Charities Act 2011 to have due regard to Public Benefit and have followed guidance published by The Charity Commission.

The activities undertaken by the charitable company are all aimed at encouraging more young people to take up careers in STEM. The charitable company aims to make their programmes and schemes accessible to all through the provision of bursaries.

This results in public benefit in several ways, including:

To the young people who obtain experience and skills development, thereby enabling them to make more informed choices at key moments in their education in relation to potential careers and to study subjects offering real long-term sustainable opportunity and value creation;

by aiming to widen access to key professions, enhancing diversity and 'first in family' into higher education, thereby enabling both fairer access and a wider talent pool for the economy;

to the UK economy through the input to society of the new generation of scientists and engineers;

and to the parents and educators who benefit from seeing their children and students undertaking activities and experiences which complement the learning and advice obtained at home and school.

STRUCTURE, GOVERNANCE AND MANAGEMENT continued

RESPONSIBILITIES OF THE TRUSTEES

The charitable company's trustees (who are also directors of The Engineering Development Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare Financial Statements for each financial year. Under company law, the trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources (including the income and expenditure) of the charitable company for that year.

In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS 102),
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose, with reasonable accuracy at any time, the financial position of the charitable company and to enable them to ensure that the Financial Statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 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.

AUDITORS

Abraham and Dobell were re-appointed as auditors during the year and they have indicated their willingness to continue in that capacity.

Approved by the Board of Trustees on 24th April 2025 and signed on its behalf by:



Professor Elena Rodriguez-Falcon, Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS

OPINION

We have audited the Financial Statements of The Engineering Development Trust (Limited by Guarantee) (the charitable company) for the year ended 31 August 2024, which comprise 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the Financial Statements:

· give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

BASIS OF OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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' Annual Report, incorporating the Directors' Report, for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and

· the Directors' Report 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.
We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 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' and directors' remuneration specified by law are not made; or
· we have not received all the information and explanations we require for our audit; or the trustees were not entitled to prepare the Financial Statements in accordance with the Small Companies' Regime and take advantage of the Small Companies' Exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Responsibilities of the Trustees' 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 charitable company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' REPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under these Acts.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

· We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates through discussions with management, sector research and the application of relevant audit knowledge and experience.
· We made enquiries of management around actual and potential litigation and claims.
· We made enquiries of management and relevant staff and designed our audit procedures, including reviewing financial statement disclosures and testing of supporting documentation to access compliance with applicable laws and regulations.
· We identified the risk of material misstatement of the Financial Statements due to fraud and designed audit procedures to respond to the risk. We performed audit procedures designed to address the risk of fraud arising from management override of controls, including, but not limited to, testing of journal entries and other adjustments; reviewing accounting estimates for evidence of bias and evaluating the rational of significant transactions outside the normal course of business.

AUDITORS' REPONSIBILITIES continued

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the Accounts of noncompliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.
A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditors/audit-assurance-ethics/auditorsresponsibilities-for-the-audit. 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 and to the charitable company's trustees as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006.
Our audit work has been undertaken so that we might state to the charitable company's members and trustees, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report or for the opinions we have formed.

D J MANT

SENIOR STATUTORY AUDITOR

230 Shirley Road
Southampton
SO15 3HR

24th April 2025

For and on behalf of Abraham & Dobell, Chartered Accountants, Statutory Auditor

Statement of Financial Activities for the Year ended 31 August 2024

Incorporating Income and Expenditure account

	Notes	2024 Unrestricted	2024 Restricted	2024 Total Funds	2023 Total Funds
		£000	£000	£000	£000
INCOME					
Donations and Legacies	2	650.9	138.2	789.1	1,705.0
Charitable Activties	3	1,080.5	-	1,080.5	1,194.1
Investments	4	60.3	-	60.3	60.4
TOTAL INCOME		**£1,791.7**	**£138.2**	**£1,929.9**	**£2,959.5**
EXPENDITURE					
Cost of Raising Funds	5	134.2	-	134.2	186.2
Charitable Activties	6	1,979.6	181.2	2,160.8	2,155.8
TOTAL EXPENDITURE		**£2,113.8**	**£181.2**	**£2,295.0**	**£2,342.0**
Net (Loses)/Gains from Investments	11	113.7		113.7	(55.2)
NET (EXPENDITURE)/INCOME AND NET MOVEMENT IN FUNDS		(£208.4)	(£43.0)	(£251.4)	£562.3
RECONCILLIATION OF FUNDS					
Total Funds Brought Forward		1,443.9	170.4	1,614.3	1,052.0
Total Funds Carried Forward		**£1,235.5**	**£127.4**	**£1,362.9**	**£1,614.3**

Statement of Financial Position for the Year ended 31 August 2024

	Notes	2024 £000	2024 £000	2023 £000	2023 £000
FIXED ASSETS					
Tangible Fixed Assets	10		11.5		14.5
Investments	11		1,537.2		1,823.5
TOTAL FIXED ASSETS			£1,548.7		£1,838.0
CURRENT ASSETS					
Debtors	12	222.5		212.5	
Cash at Bank and In Hand		69.9		292.8	
TOTAL CURRENT ASSETS		£292.4		£505.3	
LIABILITIES					
Creditors: Amounts falling due within one year	13	478.2		595.6	
NET CURRENT ASSETS/(LIABILITIES)			(185.8)		(90.3)
Provisions	15		0.0		(133.4)
TOTAL ASSETS LESS CURRENT LIABILITIES/NET ASSETS	18		£1,362.9		£1,614.3
CHARITABLE COMPANY FUNDS					
Unrestricted Income Funds	19		1,235.5		1,443.9
Restricted Income Funds	20		127.4		170.4
TOTAL CHARITABLE COMPANY FUNDS	18		£1,362.9		£1,614.3

FINANCIAL STATEMENTS

The trustees have prepared the Financial Statements in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual Financial Statements required by the Companies Act 2006 and are for circulation to members of the charitable company.

Approved by the Board of Trustees on 24th April 2025 and signed on its behalf by:

Professor Elena Rodriguez-Falcon, CHAIR OF TRUSTEES

The notes on pages 45 to 62 form part of these Financial Statements.

Company Registration Number 08879288

Statement of Cash Flows for the Year ended 31 August 2024

	Notes	2024	2023
		£000	£000
CASH FLOWS FROM OPERATING ACTIVTIES			
Net Cash provided/(used) in operating activities	28	(679.4)	500.0
CASH FLOWS FROM INVESTING ACTIVTIES			
Dividends from investments		50.9	50.9
Bank Interest		9.4	9.5
(Purchase)/sale of investments		400.0	(400.0)
Purchase of property, plant and equipment		(3.8)	(36.7)
NET CASH PROVIDED BY INVESTING ACTIVITIES		**456.5**	**(376.3)**
Change in cash and cash equivalents in year		(222.9)	123.7
Cash and cash equivalents at the beginning of the year		292.8	169.1
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	27	**£69.9**	**£292.8**

Notes to the Financial Statements
for the year ended 31 August 2024

1. ACCOUNTING POLICIES

Charity Information

The Engineering Development Trust is a charitable company established under its Memorandum and Articles of Association and is registered with the Charity Commission and Companies House in England and Wales and the Office of the Scottish Charity Regulator in Scotland. The principal address is Weltech Centre, Ridgeway, Welwyn Garden City, AL7 2AA. The charitable company is a public benefit entity.
The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

a) **Basis of Preparation**

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The Engineering Development Trust meets the definition of a public benefit company under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.
The Financial Statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest £000.

b) **Preparation of the Financial Statements on a Going Concern Basis**

The Trustees have prepared the Financial Statements on a going concern basis.

1. ACCOUNTING POLICIES cont.

c) Income

All income is included in the Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are received by way of donations and gifts and are included in full in the Statement of Financial Activities when receivable.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charitable company, are recognised when the charitable company becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charitable company where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.
- Investment income is included when receivable
- Income from charitable activities and grants which are related to performance and specific deliverables are accounted for as the charitable company earns the right to consideration by its performance.

d) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure excludes VAT, where recoverable, as the charitable company is VAT registered. Expenditure on charitable activities comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and their associated support costs.

Support costs are those functions that assist the work of the charitable company but do not directly undertake the charitable activities. These costs have been allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource and are apportioned on an appropriate basis, e.g. floor areas, per capita or estimated usage.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the audit fees and costs linked to the strategic management of the charitable company.

1. ACCOUNTING POLICIES cont.

e) Tangible Fixed Assets

Tangible assets are measured at cost less accumulated depreciation and any accumulated impairment losses.
Fixed assets costing more than £100 are capitalised at cost.
Depreciation is provided at the following annual rates in order to write-off each asset over its estimated useful economic life:

Computer equipment	33.33% per annum on cost
Office equipment	33.33% per annum on cost
Software and website	33.33% per annum on cost

f) Investments

Investments are held as fixed assets and are included on the Balance Sheet at market value. Changes in the market value of investments between financial years are recognised in the Statement of Financial Activities as gains and losses.
Gains and losses made on the sale of investment in the year are shown on the Statement of Financial Activities.
Interest on cash deposited with banks and investment management companies is included in investment income in the Statement of Financial Activities.

g) Debtors

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

h) Cash at Bank and in Hand

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

i) Creditors and Provisions

Creditors and provisions are recognised where the charitable company 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.

j) Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1. ACCOUNTING POLICIES cont.

k) Pension Costs - Further information on pensions is provided in note 26

The charitable company has three pension schemes for staff, which are the University's Superannuation Scheme (USS), the University of Southampton's Pension and Assurance Scheme for non-academic staff (PASNAS) and Scottish Widows Pension Scheme.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities due to the mutual nature of the scheme and, therefore, this scheme is accounted for as a defined contribution retirement benefit scheme. A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

PASNAS is a defined benefit scheme for which it is not possible to identify assets and liabilities due to the mutual nature of the scheme and, therefore, this scheme is accounted for as a defined contributions retirement benefit scheme.

Defined Benefit Schemes

Defined benefit schemes are post-employment benefit schemes other than defined contribution schemes. Under defined benefit schemes, the charitable company's obligation is to provide the agreed benefits to current and former employees. Because of the mutual nature of the schemes, a scheme-wide contribution rate is set.

The charitable company is exposed to actuarial risk and investment risk associated with other institutions' employees. The charitable company recognises a liability for its obligations under defined benefit schemes as a provision in the Accounts. The provision for net defined benefit liability arising from contractual obligations to fund past deficits is accounting for on a discounted present value basis.

Defined Contribution Schemes

A defined contribution scheme is a post-employment benefit scheme under which the charitable company pays fixed contributions into the scheme and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension schemes are expensed in the year during which services are rendered by employees. Scottish Widows is a defined contribution scheme and is accounted for on that basis.

l) Taxation

The charitable company is exempt from Corporation Tax on its charitable activities.

m) Fund Accounting

Unrestricted funds consist of the general purposes fund and designated funds. Designated funds are funds established by the trustees from time to time for specific projects or purposes. They are not in any way restricted and any surplus or deficit will be transferred to/from the general purposes fund when the designated fund is closed. Restricted Funds are funds subject to specific restrictions imposed by the donors.

1. ACCOUNTING POLICIES cont.

n) Financial Instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

o) Significant Judgements and Estimates

Preparation of the Financial Statements may require management to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

2. DONATIONS AND LEGACIES

	2024 Unrestricted £000	2024 Restricted £000	2024 Total £000	2023 Total £000
Donations and Legacies	**£650.9**	**£138.2**	**£789.1**	**£1,705.0**

£187.3 of the donations and legacies received were restricted in the year to 31 August 2023.
Our top four donors were GFG Foundation, STEM Learning, Avantor Foundation and Garfield Weston Foundation. There were no donated services and facilities receivable which could be quantified in the year (2023 - £nil).

3. INCOME FROM CHARITABLE ACTIVITIES

	2024 Unrestricted £000	2024 Restricted £000	2024 Total £000	2023 Total £000
Income from Charitable Activities				
Experiences	**302.8**	**-**	**302.8**	**304.8**
Projects	**458.1**	**-**	**458.1**	**484.8**
Placements	**196.0**	**-**	**196.0**	**250.9**
Industrial Cadets Accreditations and Development	**123.6**	**-**	**123.6**	**153.6**
	£1,080.5	**-**	**£1,080.5**	**£1,194.1**

3. INCOME FROM CHARITABLE ACTIVITIES cont.

The charitable company has received grants from local authorities and organisations linked to the government to provide various services and specific deliverables. There were no unfilled conditions and/or other contingencies attaching to the grants that have been recognised in income.

The grants and donations shown above relate to payments received during the charitable company's year to 31 August 2024 but adjusted for any deferments where the expenditure arising for that grant is being incurred in a subsequent year.
Our top five funders were Scottish Power, GSK, Leonardo UK, Viridor Waste Management and Mott McDonald.

The income received from charitable activities was unrestricted for both years.

4. INVESTMENT INCOME

Investment income was unrestricted for both years.

	2024 Unrestricted £000	2024 Restricted £000	2024 Total £000	2023 Total £000
Investment Income				
Bank Interest	9.4	-	9.4	9.5
Dividends	50.9	-	50.9	50.9
	£60.3	-	£60.3	£60.4

5. COST OF RAISING FUNDS

	2024 Unrestricted £000	2024 Restricted £000	2024 Total £000	2023 Total £000
Fundraising and Charity Development	134.2	-	134.2	186.2
	134.2	-	134.2	186.2

The cost of raising funds includes staff costs, travel expenses and general running costs and a portion of support and governance costs.
The expenditure on raising funds was unrestricted for both years.

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Staff Costs	Travel	Recruitment	Events Courses Workshops	Tutors Supervisors
	£000	£000	£000	£000	£000
Experience Days	568.8	28.3	6.8	86.5	0.0
Projects	487.0	11.4	11.3	47.1	0.0
Year In Industry	97.0	0.3	3.6	0.0	0.0
Industrial Cadets	127.4	5.4	0.0	6.2	0.0
2024 Total	**£1,280.2**	**£45.4**	**£21.7**	**£139.8**	**£0.0**
2023 Total	**£1,209.2**	**£46.3**	**£11.3**	**£145.2**	**£0.0**

	Running Costs	Support Functions	Governance Costs	Total Expenditure
	£000	£000	£000	£000
Experience Days	29.7	228.7	16.0	**964.8**
Projects	26.6	183.4	16.0	**782.8**
Year In Industry	14.3	58.9	16.0	**190.1**
Industrial Cadets	9.9	58.2	16.0	**223.1**
2024 Total	**£80.5**	**£529.2**	**£64.0**	**£2,160.8**
2023 Total	**£198.4**	**£483.4**	**£62.0**	**£2,155.8**

Included in the expenditure above £181.2 was restricted (2023 £16.9).

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The charitable company identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the main charitable activities undertaken in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

	General Support	Governance	Total Funds	Basis of Apportionment
	£000	£000	£000	
Staff Costs	284.4	52.0	336.4	Time/Usage
Recruitment	11.8	0.0	11.8	Usage
Travel	15.3	3.3	18.6	Usage
Pension Provision	(13.3)	0.0	(13.3)	Usage
Running Costs	70.4	1.2	71.6	Usage
Marketing/Publicity	33.9	0.0	33.9	Usage
Depreciation	6.8	0.0	6.8	Usage
ICT	117.9	0.0	117.9	Usage
Professional Fees	2.0	0.0	2.0	Usage
Audit Fees	0.0	7.5	7.5	Governance
	£529.2	**£64.0**	**£593.2**	

8. NET INCOME FOR THE YEAR

This is stated after charging:	2024	2023
	£000	£000
Operating Leases	**54.4**	**57.1**
Depreciation	**6.8**	**27.1**
Professional Fees	**2.0**	**2.1**
Audit Fees	**7.5**	**7.5**

9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2024 Total £000	2023 Total £000
STAFF COSTS		
Gross Salaries and Wages	1,558.9	1,404.5
Social Security Costs	152.7	129.6
Pension Costs	148.0	167.4
Pension Provision for USS (Note 26)	(133.4)	(40.5)
	£1,726.2	**£1,661.0**

	2024	2023
The average number of Employees during the year:	46	43
Equivalent full-time	43	40
The number of high paid employees over £60k was:	2	2
In the band £100,000 - £110,000	1	1
In the band £90,000 - £100,000	0	0
In the band £80,000 - £90,000	0	0
In the band £70,000 - £80,000	0	0
In the band £60,000 - £70,000	1	1
The employee benefits of higher paid employees:	£10.4	£9.9

	2024	2023
Trustee renumeration throughout the year	£0	£0
Trustees may claim for reimbursement of expenses incurred whilst discharging their role as a trustee.		
During the year 6 Trustees claimed travel expenses	£1.1	£1.6

10. TANGIBLE FIXED ASSETS

	Software and Website	Computer Equipment	Office Equipment	Total
	£000	£000	£000	£000
Cost				
At 31st August 2023	**300.6**	**180.1**	**20.1**	**500.8**
Additions	**-**	**3.8**	**0.0**	**3.8**
Disposals	**-**	**-**	**-**	**-**
At 31st August 2024	**300.6**	**183.9**	**20.1**	**504.6**
Depreciation				
At 31st August 2023	**300.6**	**165.9**	**19.8**	**486.3**
Provided for the year	**0.0**	**6.7**	**0.1**	**6.8**
At 31st August 2024	**300.6**	**172.6**	**19.9**	**493.1**
Net Book Values				
At 31st August 2024	**-**	**£11.3**	**£0.2**	**£11.5**
At 31st August 2023	**-**	**£14.2**	**£0.3**	**£14.5**

11. INVESTMENTS

	2024 Total £000	2023 Total £000
Market Value		
CCLA Charities Common Investment Fund	1,392.5	1,673.7
CCLA Charities Property Fund	144.7	149.8
Market Value at the end of the Financial Year	**£1,537.2**	**£1,823.5**

Reconciliation of Movement in Market Value of Investments		
Market Value at start of the financial year	1,823.5	1,478.7
Sale of Investment at Market Value (Jan. 2024)	(400.0)	-
Purchase of Investment	-	400.0
Profit on sale at Market Value (Jan. 2024)	15.1	-
Net (loss)/gain on revaluation of investments at the end of the financial year	98.6	(55.2)
Market Value at the end of the Financial Year	**£1,537.2**	**£1,823.5**

	2024 Total £000	2023 Total £000
Cost		
CCLA Charities Common Investment Fund	1,247.2	847.2
Additions/(Disposals)	(286.8)	400.0
	960.4	**1,247.2**
CCLA Charities Property Fund	134.5	134.5
Cost at the end of the Financial Year	**£1,094.9**	**£1,381.7**

12. DEBTORS

	2024 Total £000	2023 Total £000
Trade Debtors	**130.7**	**140.4**
Other Debtors and Prepayments	**91.8**	**72.1**
	£222.5	**£212.5**

13. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 Total £000	2023 Total £000
Trade Creditors	180.6	167.7
VAT	6.0	1.2
Taxation and Social Security	31.3	25.6
Pension Scheme Contributions	11.5	8.7
Deferred Income (Note 14)	159.9	214.8
Accruals	88.9	177.6
	£478.2	**£595.6**

14. MOVEMENTS IN DEFERRED INCOME

	2024 Total £000	2023 Total £000
Deferred Income at 1 September	214.8	311.1
Deferred Income released during the year	(214.8)	(311.1)
Income received during the year and deferred	159.8	214.8
Deferred Income at 31 August	**£159.8**	**£214.8**

15. PENSION PROVISION

	2024 Total £000	2023 Total £000
Provision at 1 September	133.4	173.8
Release of provision	(133.4)	-
Discount rate adjustment	-	(26.4)
Deficit contributions paid in the year - USS	-	(14.0)
Provisions at 31 August	**£0.0**	**£133.4**

16. FINANCIAL INSTRUMENTS

	2024 Total £000	2023 Total £000
Financial Instruments measured at the amortised cost comprise the following:		
Financial assets that are debt instruments (Trade Debtors)	130.7	140.4
Financial liabilities that are debt instruments (Creditors)	229.4	203.2

17. OPERATING LEASES

The charitable company is committed to payments after the year ended 31 August 2024 under non-cancellable operating leases which expire as follows:

	2024 Total	2023 Total
	£000	£000
Premises Licences to occupy expiring between 1-5 years	11.8	14.6
Office Equipment - expiring between 1-5 years	1.0	1.3
	£12.8	**£15.9**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2024 General Funds	2024 Restricted Funds	2024 Total Funds	2023 Total Funds
	£000	£000	£000	£000
Tangible Fixed Assets	11.5	-	11.5	14.5
Investments	1,537.2	-	1,537.2	1,823.5
Current Assets	165.0	127.4	292.4	505.3
Currrent Liabilities	(478.2)	-	(478.2)	(595.6)
Provisions	-	-	-	(133.4)
Total Funds	**£1,235.5**	**£127.4**	**£1,362.9**	**£1,614.3**

In 2023 £170.4 of the Current Assets were restricted funds.

19. ANALYSIS OF CHARITABLE FUNDS

Unrestricted Funds comprise those funds which trustees are free to use in accordance with the charitable objects. Restricted Funds are funds which have been given by a donor for particular purposes and projects.

	At 01-09-23	Incoming Resources	Outgoing Resources	At 31-8-24
	£000	£000	£000	£000
Analysis of Movements in Unrestricted Funds				
General Funds	1,193.9	1,791.7	1,999.3	986.3
Designated Funds	250.0	-	0.8	249.2
Total Unrestricted Funds	**£1,443.9**	**£1,791.7**	**£2,000.1**	**£1,235.5**
Analysis of Movements in Restricted Funds				
Fund 1	100.0	100.0	100.0	100.0
Fund 2	70.4	38.2	81.2	27.4
Total Restricted Funds	**£170.4**	**£138.2**	**£181.2**	**£127.4**
Total Funds	**£1,614.3**	**£1,929.9**	**£2,181.3**	**£1,362.9**

20. RESTRICTED FUNDS

The restricted funds are comprised of two funds from charitable organisations:

- **Fund 1 -** The balance is £100k, being the second instalment of a three-year project to deliver a new STEM apprenticeships programme having spent the first £100k.
- **Fund 2 -** is for £27.4k, being a three-year project to establish a new Head of Impact role and improve data capture systems. This year £81.2k of this fund been spent.

21. DESIGNATED FUNDS

A designated fund of £250k was established in 22/23 to assist in securing matched funding. At the year-end £55.3k of this has been allocated but only £0.8k spent.

22. CONTINGENT LIABILITIES AND POST BALANCE SHEET EVENTS

The charitable company had no contingent liabilities as at 31 August 2024 (2023 - £nil). There are no post balance sheet events as at 31 August 2024 (2023 - none).

23. RELATED PARTY TRANSACTIONS

A number of trustees are directors of, or are associated with, organisations that provide funding to the charitable company or participate in our schemes/programmes. There were no related party transactions arising in the year to 31 August 2024 (2023 - none).

24. TAXATION

As a registered charity, the charitable company's income is generally exempt from Corporation Tax under Section 478 of the Corporation Taxes Act 2010 by reason of its charitable objects and activities.

25. LEGAL STATUS OF THE CHARITABLE COMPANY

The charitable company is a private company limited by guarantee and has no share capital. The liability of each trustee, in the event of winding-up, is limited to £1.

26. PENSION COSTS

The charitable company has three pension schemes for staff :

- The University's Superannuation Scheme (USS), the University of Southampton's Pension and Assurance Scheme for non-academic staff (PASNAS)
- Scottish Widows Pension Scheme.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities due to the mutual nature of the scheme and, therefore, this scheme is accounted for as a defined contribution retirement benefit scheme. A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

PASNAS is a defined benefit scheme for which it is not possible to identify assets and liabilities due to the mutual nature of the scheme and, therefore, this scheme is accounted for as a defined contributions retirement benefit scheme.

Defined Benefit Schemes are post-employment benefit schemes other than defined contribution schemes. Under defined benefit schemes, the charitable company's obligation is to provide the agreed benefits to current and former employees. Due to the mutual nature of the schemes, a scheme-wide contribution rate is set. The charitable company is exposed to actuarial risk and investment risk associated with other institutions' employees. The charitable company recognises a liability for its obligations under defined benefit schemes as a provision in the Accounts. The provision for net defined benefit liability arising from contractual obligations to fund past deficits is accounting for on a discounted present value basis.

Defined Contribution Schemes are post-employment benefit schemes under which the charitable company pays fixed contributions into the scheme and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension schemes are expensed in the year during which services are rendered by employees. Scottish Widows is a defined contribution scheme and is accounted for on that basis. 'Trustees of the University of Southampton Pension and Assurance Scheme'. The Engineering Development Trust has no representation on either of these externally administered schemes. The PASNAS closed to new members on 31 December 2018.

26. PENSION COSTS cont.

A group personal pension scheme with Scottish Widows was set up in August 2017. This is a defined contribution scheme meeting the requirements of the auto-enrolment legislation for new employees not eligible for membership of the USS pension scheme.

The total pension cost for the charitable company was £148.0 for the year (2023 £167.4). The trustees of The Engineering Development Trust consider and review updates and information received from the trustees of each pension scheme.

USS

FRS102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS102. The directors are satisfied that the USS meets the definition of a multi-employer scheme and that contractual contributions under the recovery plan in existence at the balance sheet date have been recognised at a discounted fair value.

The latest triennial actuarial valuation at 31 March 2023 when the scheme surplus was valued at £7.4bn, a funding ratio of 111%. This is a significant improvement since the estimated £2.1bn shortfall at 31 March 2022. Following the 2020 valuation, the USS Trustees were working towards an 18-year recovery plan ending in April 2038 which has now been cancelled with contributions reducing to their normal levels for employers and employees.

EDT was committed to paying annual deficit recovery contributions equivalent to 6.2% until 31 March 2024 and then 6.3% until 30 April 2038. The present value of these future contributions was calculated as £133.4k at the 2023 year end Balance Sheet date. Due to the current surplus on the scheme this amount has been released to the profit and loss this year.

26. PENSION COSTS cont.

Deficit contribution this year were nil (2023 £14k)

The contribution rate payable by the charitable company remained at 21.6% of pensionable salaries until December 2023 and then 14.5% for the remainder of the year. (2023 21.6%). The contribution rate pre January 2024 includes the deficit recovery contribution. Employees' contribution rate was 9.8% until December 2023 and then reduced to 6.1% for the remainder of the period. At 31 August 2024, out of a total active membership in USS of 232,360 (as per USS March 2024 annual report), the charitable company had 4 active members participating.

PASNAS

The triennial valuation for PASNAS as at 31 July 2021 revealed a deficit of £56.5m, corresponding to a funding level of 83%. The latest updated position, at 31 July 2024, indicated a deficit of £3.6m, 98% funding level, the improvement being driven by a £30m contribution to the scheme by the Southampton University. Following the 2021 valuation, the university continues to pay deficit contributions. The PASNAS Trustees currently aim at clearing the deficit by 31 March 2031.

EDT has not entered into a formal agreement to make payments in relation to future contributions to cover any deficit relating to past service of the members of the schemes. As such, it is unable to recognise the present value of future contributions as they are not known at the balance sheet date. It may change in future accounting periods.

The contribution rate payable by the charitable company at the Balance Sheet date was 16.85% of pensionable salaries (7.2% for employees). As at 31 August 2023, the charitable company had 6 active members participating, out of 965 active members in PASNAS (31st July 2023).

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2024 Total	2023 Total
	£000	£000
Cash at Bank and In Hand	69.9	292.8
Total Cash and Cash Equivalents	**£69.9**	**£292.8**

28. RECONCILIATION OF NET INCOME/ EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 Total £000	2023 Total £000
Net (Expenditure)/Income for the year (as per the Statement of Financial Activities)	**(251.4)**	**562.3**
Adjustments for:		
Depreciation Charges	6.8	27.1
Loss /(Gain) on Investments	(98.6)	55.2
Dividends from Investments	(60.3)	(60.4)
Loss/(Gain) from Sale of Investments	(15.1)	0.0
Decrease/(Increase) in Debtors	(10.0)	48.3
(Decrease) in Creditors & Provisions	(250.8)	(132.5)
Net cash Provided by/(Used in) operating activities	**(£679.4)**	**£500.0**

THANK YOU

The support of our donors, funders, sponsors, and volunteers helps bring us one step closer to a fairer society where all young people can develop the skills, knowledge, and confidence they need to succeed in STEM. Whether you have volunteered at an event or mentored a young person, made a one-off donation, supported us through a corporate partnership or awarded us a grant, we thank you. We are hugely grateful for each and every one of our supporters. Particular thanks to the following organisations for their significant support during the year:



We would also like to thank **Belling Charitable Settlement** & **John Swire 1989 Charitable Trust**. As well as all of our local and regional supporters that help to fund our communities nationwide.

Get Involved

Access to careers advice, extra-curricular activities, and opportunities to build the skills they'll need for work are out of reach for many young people living in our communities today. Donations, corporate support, and gifts of time can enable young people to take part in hands-on activities and projects, work with mentors from diverse backgrounds, and build vital connections with industry and educators.

Talk to our philanthropy & partnerships team about supporting high impact programmes which make a real difference to young people's lives – contact philanthropy@etrust.org.uk or 01707 906549. If you're interested in volunteering, please visit: www.etrust.org.uk

THE ENGINEERING DEVELOPMENT TRUST

England & Wales - Charity number 1156066

Accounts

ENGINEERING DEVELOPMENT TRUST

ANNUAL REPORT & FINANCIAL STATEMENT

For the Year Ended 31 August 2023

Connecting young people with industry and inspiring STEM futures







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BRIGHT FUTURES FOR YOUNG PEOPLE

EDT is a UK wide educational charity, delivering and accrediting STEM experiences through the Industrial Cadets Awards, a benchmark accreditation, mapping activities against a skills and competency framework.

Inspired by its Patron, His Majesty King Charles III, our vision is:

- **to ensure Industrial Cadets is in every school**
- **to reach 250,000 Industrial Cadets Experiences in 2024 and**
- **to inspire 1 million young people to embrace jobs in industry by 2035.**

HEADLINE FIGURES

55,000
STEM Experiences

This year **over 55,000** Industrial Cadets experiences have been delivered through EDT and partner programmes. Supporting young people to develop core employability and STEM skills; helping them fulfil their potential and see themselves in STEM.

48
Partner accreditations

48 Industry partners have used Industrial Cadets accreditation as a quality benchmark for their STEM outreach activity, a **25% increase** from the previous year.

81
New programmes accredited

Our partners accredited **81** new education programmes during the academic year, from half day workshops to more intensive projects, work experiences and internships.

MESSAGE FROM EDT'S CEO

Our Chief Executive, Julie Feest, invites industry and education to join the growing Industrial Cadets community to improve access to STEM education for young people from under-resourced and underrepresented groups.

- In 2023 only 8% of those working in STEM fields are from ethnic minority groups, while the proportion of women entering STEM apprenticeships fell to 14%.
- Almost a quarter (23%) of young people from under-resourced backgrounds think their life will amount to nothing, no matter how hard they try.



We recognise the disparities in representation within the industry, almost half (47%) of the young people participating in our programmes are from ethnic minority backgrounds. Our ongoing efforts seek to improve the social and economic status of all young people.



"The Industrial Cadets community connects young people, schools, colleges, universities, and STEM businesses to help develop a more resilient, knowledgeable, and confident workforce of the future. Together, we strive to promote social mobility by enabling young people from all backgrounds to engage in hands-on STEM activities, workplace experiences, courses, and mentored projects. By providing equal opportunities and access to diverse role models who are thriving in STEM education and careers, we aim to break down barriers and empower individuals to overcome socio-economic challenges. Through our inclusive approach, we aspire to create a level playing field, ensuring that every young person has the chance to unlock their full potential and pursue a successful future in STEM."

- Julie Feest, Chief Executive EDT

OUR IMPACT AT A GLANCE

The impact report highlights the significant achievements and positive outcomes of our organisation's efforts in supporting young people to access the STEM field.
Through our targeted programmes, we have:

- successfully empowered and inspired a diverse group of young people to pursue STEM education and careers.
- enabled young people from underrepresented groups to develop essential skills, knowledge, and confidence in STEM disciplines.

As a result, these young people have achieved notable successes pursuing their studies and preparing for the world of work.

673
Volunteers from the STEM field gave their time to support young people

1319
Schools, universities and colleges supported

176
Industry partners across the UK

55,175
INDUSTRIAL CADET EXPERIENCES

47%
activity participants from ethnic minority backgrounds

45%
of students supported by our programmes were female

35%
A combination of students entitled to free school meals & students recognised as having a disability

INDUSTRIAL CADETS - OUR PROGRAMMES

At EDT we believe every young person should have the chance to embrace STEM opportunities. In collaboration with industry and educational partners we have developed the Industrial Cadets portfolio and pathway of programmes to help students to access STEM and experience the world of work.

CHALLENGER LEVEL ACTIVITIES

Hands-on themed workshops for students aged 7 to 14, supported by STEM role models and industry. Activities can be delivered in school or virtually.

13,531
Students engaged at Challenger level

- **88%** developed teamworking skills
- **77%** now have a better understanding of STEM
- **73%** more interested in STEM subjects
- **71%** developed communication skills

"I enjoyed making the skateboard the most, it was really fun getting all the recycled supplies together and making it all.

One thing I've learned is that you can make anything out of anything as long as you put your mind to it."



BRONZE LEVEL - MENTORED PROJECTS

12 week mentored projects for students aged 11 to 14. Students gain key skills for the world of work whilst collaborating as a team on a set STEM project, supported by industry.

944
Students participated

97% developed problem solving skills

88% more confident that anyone can have a STEM career

85% felt they developed leadership skills

81% felt more confident about the future and opportunities

"I thought going into STEM would be very difficult for me, however, after completing this project, I now have learnt that there are many more doors open for me which I find not so challenging. Due to this, I now see myself in STEM in the future.

The Industrial Cadets experience has personally inspired me to see my future in STEM by offering hands-on experiences, real-world applications, and invaluable mentorship, igniting my passion and highlighting the incredible opportunities to make a positive impact in these fields."



EDT PARTNER TESTIMONIAL

babcock™

"Having the opportunity to be an assessor for a number of Gold and Bronze projects has been a fantastic experience and has shown me the tremendous knowledge and potential these students have.

- Josh Jones, Babcock

GOLD LEVEL PROJECT

20 week projects for students aged 16 to 18 developing their work readiness skills. Teams undertake real-life STEM challenges, mentored by industry professionals. Students gain a better understanding of STEM while developing core employability skills.

756
Students participated

- **97%** have a better understanding of how people use STEM subjects in their job
- **90%** developed teamworking skills
- **82%** developed problem solving skills
- **98%** felt more confident about making future study and career choices

> We all had an amazing time working on our project. Some of us were already interested in becoming engineers, and this not only solidified our interest but also showed us how wide and varied the opportunities were within the field. The project also gave us a real insight into how an engineering project can be carried out in industry, and the skills and qualities that are needed to carry it out.



EDT PARTNER TESTIMONIAL



> "Working with, and guiding my Engineering Students on their project was stimulating, thought provoking and a personally rewarding experience, reminding me, why I got into Engineering in the beginning of my career!"
> **Gold Project Teacher**

PLATINUM LEVEL - PLACEMENTS

EDT's Year in Industry placements are aimed at school leavers and offer a 10 to 12-month paid work placement opportunity within their intended career sector.

148 students placed on a Year in Industry placement

2680 students supported looking for an industry placement

YEAR IN INDUSTRY STUDENT SHOWCASE

Skelly & Couch is a leading environmental engineering practice in the UK.
Working with acclaimed architects, they co-create sustainable buildings and spaces that enhance quality of life while treading lightly on the earth.
EDT placed Alicia on a year's paid work placement with Skelly and Couch. She was tasked with creating an instruction manual to condense the company's knowledge of the IES VE* software into one place, making it easier to access, navigate, and understand, thus making the software easier and quicker to use, as well as being more accessible to learn.

The manual has helped train new engineers while supporting existing engineers at the company. It has reduced employees' time, allowing them to work on other outputs and projects, generating substantial additional revenue for the company.

> "My placement has helped me to develop immensely in the professional environment, giving me invaluable technical skills and knowledge that I will be able to apply in the future, both at university and in the working environment beyond."
>
> **Alicia Neal-Useche**



SKELLY & COUCH

EDT PARTNER TESTIMONIAL

> "Alicia's contribution to the business in the last year has been exceptionally highly valued by myself personally, but equally by all of the directors of Skelly and Couch. In her time with us so far, Alicia has become a key member of our sustainability and thermal modelling team and a highly valued member of our team of engineers, regarded as an equal and with her skills being consistently in demand."
>
> **Steve White, Skelly & Couch**

OUR PARTNERS

With our heritage, knowledge and diverse team that includes ex-teachers and industry professionals, we are able to support all our partners to achieve their objectives for STEM outreach, with a tailored offer to suit all sizes and budgets.

HOW OUR PARTNERS HAVE HELPED US DELIVER 30,152 EXPERIENCES

- Utilised existing EDT delivered programmes accredited through Industrial Cadets
- EDT Accreditation of partner outreach activity using the Industrial Cadets Framework
- EDT built employer-defined bespoke content to excite in specific sectors

WORKING CLOSELY WITH BELLING

The Belling Charitable Settlement

Belling Funding enabled us to provide unique experiences to Helston Community College in Cornwall. Students engaged with our Challenger, Bronze and Silver level programmes, enabling the students to think about the routes into STEM that are available to them both locally and nationally whilst having fun and involved with various projects and activities.

> "Students got the opportunity to explore the fundamentals of computer coding. They had to employ both their creativity and problem solving skills to devise a colour coding system which would allow the Ozobots they were using to complete a course autonomously.
> **Mr Allen, Teacher, Heston Community College**"



CELEBRATING ACHIEVEMENTS THROUGH INDUSTRIAL CADETS AWARDS

CanSat is a European Space Agency competition, ESERO-UK organise the UK CanSat competition. In 22/23, the competition was accredited by Industrial Cadets for the first time. Silver level for regional teams and Gold level for national finalists leading to a total of **556 awards.**

> "CanSat allows teams to experience what it is like to take part in a real space engineering project. The competition involves electronics, physics, mechanical engineering, coding, project management, report writing, presentations and a whole host of other skills. In addition to the valuable experience gained by the students taking part, the EDT Industrial Cadets accreditation provides recognition for the students, and supports their sense of achievement.
> **Kate Clark, ESERO-UK Project Officer**"

LEONARDO - EDT PARTNERSHIP
INSPIRING THE NEXT GENERATION

Since 2005, the EDT and Leonardo have worked together to inspire the next generation of STEM professionals. Throughout the partnership, Leonardo has offered Industrial Cadet opportunities at Bronze, Silver and Gold level as well as welcoming students on Industrial Placements.

To date, this valued partnership has:



reached over 2,500 young people



in more than 50 schools



supported by 300 Leonardo volunteers

In 2022/2023 Leonardo supported:

- 7 Industrial Cadets Bronze Teams
- 12 Industrial Cadets Gold Teams
- 97 Industrial Cadets Silver students via Leonardo work experience
- 5 Industry placement students

> Participating in Industrial Cadets with Leonardo UK was an incredible experience that I will never forget. The journey was challenging yet exciting and working alongside professional engineers was such a unique opportunity that I would never have had otherwise.
> - Student on Leonardo/EDT Project



> Leonardo is committed to inspiring young people to undertake STEM studies and increasing awareness of career opportunities in STEM. The Leonardo partnership with the EDT enriches our STEM outreach programme, by ensuring that high quality mentoring, work experience and industry placements are delivered through the Industrial Cadets programme. Through these activities, young people develop their engineering skills and gain awareness of their own potential through valuable work experience, while employees within Leonardo benefit from contributing to their local communities.
> **Michelle Strange, Leonardo**

GFG FOUNDATION - EDT PARTNERSHIP

SUPPORTING COMMITMENT TO A CARBON NEUTRAL ECONOMY

The GFG Foundation supports young people in communities where they have a business presence to help young people understand more about the local businesses and available opportunities. Through partnership with EDT, the GFG Foundation have supported over **7,000 students** through various levels of the Industrial Cadet programme nationwide.

EDT developed the GFG Foundation student programme with a focus on 'Our Sustainable Community'. The programme took place over 16 weeks providing opportunities for students in years 9/10 from local schools to take part in a mentored project. Students were supported by employees from Liberty Steel, who are passionate about sharing their knowledge and experience to develop the next generation.





As part of the experience, students had the opportunity to attend a launch event, engage with mentors from industry and celebrate their achievements at an event in Sheffield Hallam University. With a project focused on sustainability, the programme helped students navigate the expanding green jobs market, develop STEM skills, and build on their communication and presentation skills. In recognition of their work, students received an Industrial Cadets award at Bronze level.

The programmes supported by the GFG Foundation in the UK are closely aligned with the commitment to a carbon-neutral economy, form part of the global education programme and aim to inspire the next generation and equip young people for the opportunities ahead.

GFG FOUNDATION

LIBERTY

"Thank you to the EDT and GFG Foundation for providing a fantastic opportunity to educate and enthuse our pupils in the different STEM careers that are on offer in our local area. The pupils gained a great deal from the process, from collaborating to achieve a common goal and working alongside mentors from industry."

-Teacher

PERFORMANCE AND ACHIEVEMENTS

We have continued to transform the charity post-pandemic to meet the needs of our beneficiaries, mindful of the changing needs of our funders. The hybrid method of delivery continues to deliver with excellence, with activities delivered either face-face or virtually, taken in mind the needs of the schools, the geographic location and most impactful way to deliver the specific activity.

Consultation with Stakeholders

Changes to our schemes and activities have been based on feedback from our funders, partners, staff and beneficiaries to ensure we offer the best service we can. We received overwhelmingly positive feedback from all stakeholders, as they appreciated our agile, flexible and tailored approach building new content on some of the exciting changes in the industry such as Green Jobs.

It has been a difficult year for funders and we continue to engage with them to understand how their own issues could affect charity support. This is true from large multi-national to small businesses, where effects of the changing marketplace have meant rescaling, restructuring and in some cases reduction of staff. While this is the case for companies, many could not focus on supporting the charity as they have done in the past, but we continue to engage with them to ensure they are supporters for future years. To be successful in this volatile marketplace, adaptability has been key and our bespoke offerings fruitful in developing content and activities supporting employers and students' needs. For Trusts and Foundations, their funds have been stretched even further over this last academic year with larger numbers of charities asking for funds, who have had to diversify as their normal channels dried up. We continue to close steward and manage these relationships to ensure we continue to be considered in this difficult climate.

A particular focus for this year has been with consultation with employers who work with us on recruiting Placements either pre-University or during a Placement Year in Industry during University. During an extensive consultation with the employers, we talked to them about their needs, and our focus on charitable objectives inspiring young people who had not yet necessarily made their final decision and degree choice. Through analysis of the feedback, the charity could move forward with confidence to put in place a plan to move to supporting only pre-University students for a Placement year, safe in the knowledge that the majority of employers would support this change. For those larger employers, we would continue to offer a bespoke service.

Our vision, mission, messaging and brand were developed particularly for Industrial Cadets looking ahead to 23/24, as a major milestone of reaching 250,000 experiences is anticipated to be reached at this time, and with help and consultation with our funders and HRH Ambassadors, we continue to focus on industry-specific solutions to help drive the economy and a diverse talent pool for the future.

Flexibility for Funders

EDT continue to work in partnership with corporates (small, medium and large), trusts, foundations, grant givers, and public funders supporting the work we do for young people across the UK. With a focus on improving access to STEM education for young people from under-resourced and underrepresented groups, we work closely with partners to understand their strategic objectives and goals and our these align with our charitable mission and vision. Working in collaboration we create pathways for students through education to employment by; delivering existing EDT programmes, developing bespoke/ tailored education programmes and partners use the Industrial Cadets accreditation as a quality benchmark for their outreach and education activities. We are able to provide added flexibility through hybrid delivery; offering opportunities for industry and young people to engage in person and virtual.

Sector and Theme Focus

The charity has seen huge success moving away from a generic STEM theme to one focused on specific subjects in areas such as Environmental Sustainability, Circular Economy, Net Zero, Cyber, AI, Aerospace and Health. The focus on sectors and specific topics appeals to students and funders, with EDT uniquely positioned with its strong links to industry and schools/universities and experience in creating curriculum-aligned exciting, relevant content, specifically focused on Green Jobs during the year.

Disruption Throughout the Academic Year

Even though the direct effects of the pandemic had significantly lessened, disruption was still felt in terms of our activities as teachers felt "virtual-fatigue" in some cases, and continue to feel a strong need to focus purely on the curriculum to help students catchup from previous disruptions. There were also various teachers strikes across the UK creating school closures and schools struggling to remain open with limited staff. With both these issues, this gave the charity some limitations in terms of timing and geography restrictions.
The entire EDT team did an outstanding job adapting to the changes and providing a high-quality service to all our students. As teachers settled into the environment of in-class and remote teaching, depending on the circumstances, they were able to call on EDT to help them in areas of most need such as virtual work experience.

Digital Learning Platform

Throughout the 22/23 period, we continued to utilise our Digital Learning Management System for virtual delivery, invested in the development of new content and bespoke services to enhance the interactive learning experience for students.
The platform offers several advantages to students, enabling them to progress through courses at their own pace and seamlessly resume from where they last left off when they have spare time. Students can easily track their course completion progress, participate in live or recorded sessions, and upon completion, receive their digital Industrial Cadets Award. We remain vigilant in monitoring feedback from students and teachers to ensure that the platform continues to align with their evolving needs, both in terms of technological functionality and flexibility. This ongoing assessment ensures that we uphold high standards of usability and relevance in our digital learning environment.

The Engineering Development Trust in Scotland (EDT is a separately registered charity in Scotland, number SC039635)

The ongoing impact of the pandemic continues to resonate within schools and among funders, including both industry stakeholders and trusts. Despite these lingering challenges, the team had a busy delivery year. Funded pilot projects enabled the team to extend their geographical reach in Scotland, facilitated the creation of new content and the expansion of the Industrial Cadet Pathway through the introduction of the Silver Project.

The Scotland EDT team successfully delivered:

- Challenger, Experience Days engaging 5,241 young people; Primary schools participated in virtual sessions while secondary schools requested in person events.
- A strong year for the Bronze Industrial Cadet Project engaging 361 young people
- Introduction of the Silver Industrial Cadet project engaging 52 young people
- A year of growth for the Gold Industrial Cadet Project engaging 65 young people
- 65 young people were placed by the Year in Industry programme.

FINANCIAL REVIEW

The after-effects of the COVID 19 pandemic were still felt in 2022/23, although the position strengthened with a significant donation during the year. The charitable company continued to adapt in response to the challenges, aiming to stabilise its streamlined structure and hybrid delivery while launching some specific pilot programmes focussing on specific needs of young people, identifying potential growth opportunities for 2023/24 and beyond.

- Income from donations vastly increased due to a large one-off grant.
- Charitable activities decreased by 8% overall with all areas reduced except Placements.
- The total income for the year increased by £972k (49%) from last year to £2,959.5k.
- Total expenditure was £2,342.0k, an increase of £430.9k (23%) from last year which reflected increased activity levels as more in-person events occurred.

The continuing uncertainty in market conditions translated into a further investment revaluation loss this year of £55.2k. Due to the large grant the charity was in a position to be able to invest a further £400k into the CCLA Equity Fund giving an overall investment valuation of £1,823.5k at the year-end.

The overall result for the year was a surplus of £562.3k and the charity's unrestricted reserves at the end of the financial year amounted to £1,443.9k, above the minimum level required by the reserves policy. Due to the fortunate position EDT are in the Trustees have agreed to "Designate" £250k of the unrestricted funds to a fund to assist in securing matched funding. Restricted reserves at the year-end were £170.4k.

PLANS FOR FUTURE PERIODS

2023/24 starts with a strengthened position for the charity following a period of pilot programmes, testing and trialling new ideas to help students in this important period, still affected by the pandemic years. With our strategy and business plan taking us into 2025, we continue to adapt and change in a volatile marketplace.

The strategy builds upon the charitable company's recent successes and ensure sustainability and growth for the future. The approach taken moves EDT away from a short-term focus to an Adaptive Strategy which renews the vitality and competitiveness of an organisation. It recognises the need for systemic change, strategic experimentation and organisational flexibility. A growth mindset is needed throughout this strategic change. For long-term growth and innovation, the charity needs to invest in new approaches to drive growth and move to an outward looking, growth-focused culture.

PLANS FOR FUTURE PERIODS cont.

Pilot programmes investigated include:

- An Industrial Cadet Pathway which will take students on a journey of discovery through multiple interventions in a specific location.
- A new apprenticeship scheme to support young people within two areas of the UK.
- Industry-specific approaches in areas such as manufacturing, energy and nuclear; focusing on Green Jobs of the future. Highlighting how Industrial Cadets can create collaboration across industry and other organisations to meet the growing demand for a diverse talent pool for the future. For greatest impact, this approach will be supported by content built on themes which are relevant to the region as well as industry.

The strategy and business plan recognises the changing funding environment for all sectors with which the charitable company works, including the effect of the economic environment on companies, the on-going impact of changes in the education sector and the expansion of apprenticeships and T-levels. The broad approach is to focus on the young persons' continuing experience through Industrial Cadets Awards, with particular focus on disadvantaged young people who are most affected by the impacts of the pandemic.

The strategy maintains that the student needs lie at the heart of our work, considering the different needs that they may have, dependent on socioeconomic background. A stronger focus on account management for our key sponsors is particularly relevant in this period of economic decline, with increased work on digital presence to ensure funders feel their support is recognised within social media and thus their brand is better recognised for their commitment to young people.

The focus on further widening participation will remain with continued development of the charitable company's diversity activities such as bursaries where appropriate, creating bespoke content for Experience Days relevant to the local job prospects and explaining the variety of pathways to a career through Routes into STEM. Industrial Cadets provide the strength to pull the activities together, creating a journey for a young person, when they need many interactions to sustain confidence and belief in their skills and prospects.

EDT will continue in a stable hybrid delivery model in 23/24, mixing virtual and face-to-face where it adds value. Virtual delivery will continue on as it allows us to reach more students with our limited funds. We will continue to use the Learning Management System in our hybrid model, whilst assessing additional features including a shop for further advancements to our service.

We will focus on our fundraising activities and prioritisation, building upon a strong strategy within a changing external environment. The plan will include growth in Trusts and Foundations, with a particular attention to skills for fundraising larger bids and with philanthropists.

EDT EXPERIENCES

- **Experience Days/Activities accredited at Industrial Cadets Challenger**

Demand for Challenger STEM activities continues to strengthen for both schools and funders, increasing by 13% in 2022/23 compared to 2021/22. The scheme enables EDT to offer new industry links to schools along with the opportunity to introduce more of Industrial Cadets journey for those interested in a STEM career.
The demand for the virtual programme decreased in 2022/23, mainly due to "virtual fatigue" for schools and students. However, we trialled themed delivery sessions reaching multiple schools at once, this had a positive uptake especially from primary schools that we often struggle to offer activities to. Notable in 2022/23 was the demand for hands-on activities for young people, with popular themes being Artificial Intelligence, Engineering and Sustainability.

- **Routes into STEM accredited at Industrial Cadets Bronze and Silver levels**

Routes into STEM has experienced growth in the number of face-to-face courses across the UK, attracting interest from both established and new locations. Recruitment efforts were facilitated by the availability of fully funded courses, generously supported by trusts and funds targeting specific areas. In 23/24, we will be offering both funded and fee-paying courses, necessitating a careful balance to meet the requirements of our partners. Following a decline in applications for the virtual course during the 22/23 period, which was run during two school holiday periods, we have implemented changes for the 23/24 academic year. The virtual course will now be accessible throughout the academic year, allowing students greater flexibility in their study schedules. At the end of the year, we will evaluate whether this new format has resulted in an increase in student enrollment and assess its long-term sustainability.
The Routes into STEM courses lead to an Industrial Cadet Bronze award. In 22/23, we conducted a pilot 16+ Routes into STEM course with a slightly modified format, leading to an Industrial Cadet Silver award. This pilot garnered positive feedback from students, partners, and funders alike. Consequently, we plan to conduct two additional courses of this nature in the 23/24 academic year.

EDT EXPERIENCES

- **Insight into University accredited at Industrial Cadets Silver**

Insight into University continues to maintain its popularity among students who are beginning to contemplate their UCAS applications. Both virtual and residential formats will be offered again this year, driven by the persistent demand for both programmes. While there was a slight decrease in interest for the virtual offering, there was a notable growth in demand for the residential format. However, given the benefits of each format - the virtual offering providing a broad overview of STEM options and the subject-specific residential courses - there is sufficient justification to continue offering both.
In the 23/24 academic year, we have expanded the residential program to include 10 courses, with many universities re-engaging in these summer school activities after pausing them due to the pandemic. We anticipate further expansion of the program offerings in the coming years. The demographics of the student cohorts are diverse, aligning with the preferences of universities seeking to engage with a varied student body.
There has been a notable increase in the number of students requesting bursaries, and financial plans have been established to accommodate as many funded places as possible. However, securing funding for these activities proves to be challenging due to the high cost per student compared to other initiatives.
The virtual course, now in its fifth year, has become an established offering that can be delivered with relatively minimal resources while reaching approximately 500 students across the UK. Participation in the Insight into University courses leads to the attainment of an Industrial Cadet Silver Award.

EDT MENTORED PROJECTS

- **Industrial Cadets Bronze Level Project**

The Industrial Cadet Bronze Project serves as an extracurricular enrichment initiative aimed at students prior to their selection of exam subjects, building work readiness skills. This program has experienced a 5% growth across all regions compared to the 21/22 period. It holds significant value for young participants, facilitating access to industry mentors, fostering the development of transferable skills, and offering an opportunity to work in a collaborative environment.
The project continues to run under a hybrid model, commencing with a virtual launch and culminating in a graduation ceremony upon completion. This allows students to collectively celebrate their accomplishments and showcase their collaborative efforts. Students are also able to interact with peers from other teams/schools within their local community who have embarked on similar journeys, enabling them to review each other's outcomes and share insights gained from their experiences.

- **Industrial Cadets Gold Level Project**

The Industrial Cadets Gold Project continues to hold considerable value for both educators and young participants, maintaining its impact and quality through a hybrid delivery model, as in 21/22. Teachers acknowledge the program's positive influence on students' employability skills and its role in enhancing their career pathways. The project adds significant value for students by allowing them to distinguish themselves during the application process by showcasing the skills they have developed and their dedication to personal growth.
Similarly, the scheme presents enhanced opportunities for companies to engage with students and potentially identify candidates for opportunities such as apprenticeships or industry placements. This alignment between industry engagement and student development not only benefits the students in terms of practical experience and networking opportunities but also serves as a valuable resource for companies seeking talented individuals to join their workforce.

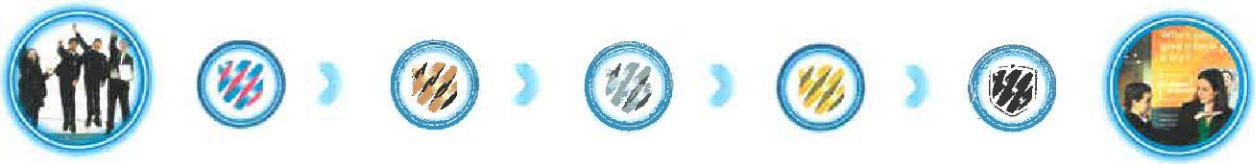
PLACEMENTS ACCREDITED AT INDUSTRIAL CADETS PLATINUM

Following a reorganisation at the close of the 22/23 academic year, notable changes have been implemented in the Placements scheme. We are now predominately providing placement opportunities for school leavers, with a focus of resources to this student demographic. The application process has been refined, wherein students now apply directly for specific vacancies rather than to the scheme as a whole. This alteration has yielded a significant reduction in workload, resulting in lower staffing costs for the 23/24 period.
The decision to exclusively collaborate with school leavers has led to a reduction in the number of companies engaged and consequently fewer placement opportunities available. Consequently, there has been a decrease in income for the scheme. However, the reduction in staffing costs due to the restructure outweighs this shortfall. With this change we anticipate growth in future years more aligned to our charitable objectives.

We are introducing a bespoke service catering to companies seeking to place five or more students, which will also encompass undergraduate placements. Presently, this provision applies to a select few companies, with Scottish Power being the principal client, facilitating over 60 placements for EDT.

INDUSTRIAL CADETS ACCREDITATION (PARTNER PROGRAMME ACCREDITATION)

The Industrial Cadets Community, comprising young individuals, educational institutions such as schools, colleges, and universities, alongside industry stakeholders, is experiencing consistent growth. There has been a notable increase in the number of partners adopting Industrial Cadets accreditation as a benchmark for the quality of their STEM outreach activities, marking a 25% rise from the previous year. Throughout the academic year, our partners have accredited 81 new education programs, ranging from half-day workshops to more comprehensive projects, work experiences, and internships. We launched our collective ambition to reach 250,000 experiences for young people, and we are on schedule to achieve this. Through our inclusive approach, we aspire to create a level playing field, ensuring young people across the UK have the chance to unlock their potential and pursue a successful future in STEM.
Our overarching vision entails the integration of Industrial Cadets into every school, inspiring one million young people to embrace career opportunities within the industry by 2035. Moving forward into the next academic year (2023/24) and beyond, we are committed to fostering partnerships with both industry and educational entities. Our objectives include elevating the visibility of Industrial Cadets, recognising achievements, and highlighting the successes of young individuals and their supporters.



STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees' Report

The Trustees, who are also directors of the company for the purpose of company law, present their report and the audited financial statements for the year ended 31 August 2023.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, The Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The Trustees' report should be read in conjunction with the Strategic Report on pages 1 to 10.

Administrative Information

The company number is 08879288.
The registered charity numbers are 1156066 for England and Wales and SC039635 for Scotland.
The registered address is Weltech Centre, Ridgeway, Welwyn Garden City, AL7 2AA.

The Trustees who served during the year and since the year are:

- Elena Rodriguez-Falcon, Chair of Trustees
- Philip Pickering, Treasurer, retired on 20/10/2022
- Peter Chivers
- Georgina Harris
- Gareth Hedicker, resigned on 20/10/2022
- Howard Mathers, retired 19/10/2023
- Katie Mawdsley (EDT alumna), left 13/06/2023
- Mary Pooley
- Paul Senior (EDT alumnus)
- Laura Steedman (EDT alumna)
- Michelle Watiki (EDT alumna)
- Jon Bolton Treasurer from 01/10/2022 - 21/09/2023
- Dominic Waring joined 21/09/2023, Treasurer from 21/09/2023
- Robyn Vincent joined 19/10/2023
- Iain Kinnis joined 19/10/2023
- Jonathan Simmons joined 19/10/2023
- Olivier Usher joined 19/10/2023

Administrative Information cont.

Day-to-day management of the charity is delegated to the Senior Management Team (SMT):

- Julie Feest, Chief Executive Officer
- Henry Foxhall, Operations Director, left 07/12/2022
- Ciara Duffy, Scotland Director
- Florence Morgan, Finance Director, left 20/10/2023
- Tim Miller, Finance Manager, joined 02/10/2023
- Penny Tysoe, Communications and Funding Director

The Board of Trustees and SMT are supported by the following professional advisers:

- Bankers: CAF Bank Ltd, 25 Kings Hill, West Malling, ME19 4JQ
- Investment Managers: CCLA Investment Ltd, 1 Angel Lane, London, EC4R 3AB
- Auditor: Abraham & Dobell, 230 Shirley Road, Southampton, SO15 3HR
- Solicitors: Blake Morgan LLP, Tollgate, Chandlers Ford, SO53 3LG
- Pension advisors: Spence & Partners Limited, The Culzean Building, 36 Renfield Street, Glasgow, G2 1LU

Governing Document

The Engineering Development Trust was incorporated on 6 February 2014 as a company limited by guarantee, formed specifically to accept the transfer of the assets and entire business from the Engineering Development Trust, a registered charity, number 1002459, constituted 8 March 1991. The incorporation resulted in a new registered charitable company number being issued, number 1156066. The charitable company is also a registered charitable company in Scotland, number SC039635.

Organisational Structure

The charitable company is run by a Board of Trustees, which sets and monitors strategy and policies. The trustees delegate authority to deliver the strategy to the Chief Executive and staff. Regular board meetings receive reports on all the principal activities of the charitable company from the Chief Executive and other members of the Senior Management Team.

The trustees have established standing committees, each with its own terms of reference for governance, audit and risk, remuneration and trustee nominations.

The charitable company aims to give people ownership of the job, delegate decisions to an appropriate level and encourage staff to exercise personal initiative to achieve results on behalf of the charitable company. Considerable delegation of authority is therefore made to the Chief Executive and through the Chief Executive to the scheme's functional and regional staff, who ensure those activities meet the needs of the intended beneficiaries.

Organisational Structure cont.

The Engineering Development Trust has, amongst others, informal working relationships with the IET, Engineering UK and Make UK, whose educational objectives are complementary to those of the charitable company.

Recruitment and Appointment of Trustees

The trustees regularly consider the mix of skills and experience needed to run the charitable company effectively and seek to recruit trustees to fill any vacancies. A Nominations Committee has been established to oversee the trustee recruitment process. Trustees are elected in accordance with the Memorandum and Articles of Association by members of the charitable company. At the Balance Sheet date there were 10 trustees (members), all of whom have limited liability of £1.

The Nominations Committee seeks a balance of representation from key stakeholder groups. It also seeks trustees who support the aims of the charitable company and are willing to make a contribution to its activities and, in addition, are sufficiently experienced to provide for effective governance.

Trustee Induction and Training

New trustees are given an induction pack and meet with the Chair, Treasurer and Chief Executive to familiarise them with:

- the charitable objectives
- the obligations of the trustees
- the operational framework for the charitable company
- strategy and future plans
- resourcing and the current financial position, and
- the various activities of the charitable company

Risk Management

The assessment and management of risk is built into the day-to-day management of the activities of the charitable company and, in particular, through mechanisms to ensure the long-term sustainability of its programmes.
A risk register has been developed which is used to identify the main risks, their potential impact, likelihood and actions to mitigate them. The Audit and Risk Committee reviews and agrees these at least four times a year and the trustees receive reports by exception.

The charitable company's income is directly linked to the level of activity and is raised on a year-on-year basis. The level of participation by employers, educators and young people is significantly influenced by factors outside of the charitable company's control e.g. the economic outlook or government education policy. The reserves policy reflects and addresses the main risks identified by the risk register.

Related Parties

None of the trustees receive remuneration or other benefits from their work with the charitable company. Trustees are required to provide details of other organisations in which they are employed or are linked with in another significant capacity and to report any contractual relationship with a related party. In the current year no such related party transactions were reported.

Key Management and Personnel Remuneration

The trustees consider themselves and the senior management team as the key management personnel of the charitable company in charge of directing, controlling, running and operating the Trust on a day-to-day basis. All trustees give their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in notes 9 and 23 to the accounts.

The pay of the senior staff is reviewed annually against benchmarking data from the charity sector and from the wider economy with additional adjustments being applied as required to support the recruitment and retention needs of the charitable company.

Reserves Policy

The trustees have reviewed the major risks faced by the charitable company to determine the level of reserves necessary to meet their commitments to young people, employers, educators and other stakeholders. This value of reserves is then expressed within a range and is subject to an annual review which includes the requirement to establish an action plan, should reserves fall outside of the range agreed.
The major risks identified and other elements considered included within the reserves policy are:

- Working capital requirements
- Liability for increased employer contributions arising from membership of two multi-employer defined benefit pension schemes by reference to the period of deficit recovery plans agreed between the respective pension scheme trustees and the pensions regulator.
- Unexpected deficit situation caused by a loss of major funding streams and/or a strategic decision to close or significantly change an EDT scheme.
- Risks associated with major projects, in particular where these fall across multiple years.
- Depreciation reserve equivalent to the net value of assets purchased from grants.
- New Projects Fund as required from time to time in line with the business strategy.

Investment Policy

Unrestricted reserves not required to meet the short-term needs are invested with the aim of mitigating the impact of inflation on the value of those reserves and to generate annual income to support the work of the charitable company. The trustees review the investment strategy on a regular basis, receiving quarterly reports from the fund management company managing the investments.
The company is CCLA, which specialises in managing investments for charities; the funds are currently invested in COIF Charitable Funds. The Audit and Risk Committee meets with the fund managers on an annual basis to review the performance of the portfolio in relation to the trustees' investment strategy. The Audit and Risk Committee makes proposals to the trustees, taking account of advice received, to implement changes to investments in line with the investment strategy.

Our Charitable Aims

The objectives of the charity are the advancement of education for the public benefit including (without limitation) by the promotion of the study of science, technology, engineering and mathematics amongst young people and the furtherance of any other charitable activities for the advancement of education as the Directors think fit.

The Engineering Development Trust achieves public benefit by focusing on its mission, which is to help talented young people achieve their full potential, in particular, through careers in STEM (science, technology, engineering and maths). The trustees confirm they have complied with their duty in the Charities Act 2011 to have due regard to Public Benefit and have followed guidance published by The Charity Commission.

The activities undertaken by the charitable company are all aimed at encouraging more young people to take up careers in STEM. The charitable company aims to make their programmes and schemes accessible to all through the provision of bursaries.

This results in public benefit in several ways, including:

- to the young people who obtain experience and skills development, thereby enabling them to make more informed choices at key moments in their education in relation to potential careers and to study subjects offering real long-term sustainable opportunity and value creation;
- by aiming to widen access to key professions, enhancing diversity and 'first in family' into higher education, thereby enabling both fairer access and a wider talent pool for the economy;
- to the UK economy through the input to society of the new generation of scientists and engineers;
- to the parents and educators who benefit from seeing their children and students undertaking activities and experiences which complement the learning and advice obtained at home and school.

RESPONSIBILITIES OF THE TRUSTEES

The charitable company's trustees (who are also directors of The Engineering Development Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare Financial Statements for each financial year. Under company law, the trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources (including the income and expenditure) of the charitable company for that year.
In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements, and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose, with reasonable accuracy at any time, the financial position of the charitable company and to enable them to ensure that the Financial Statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 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.

RESPONSIBILITIES OF THE TRUSTEES cont.

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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 the Financial Statements may differ from legislation in other jurisdictions.
In preparing this report, the trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

AUDITORS

Abraham and Dobell were re-appointed as auditors during the year and they have indicated their willingness to continue in that capacity.

Approved by the Board of Trustees on 25th April 2024 and signed on its behalf by:



Professor Elena Rodriguez-Falcon, Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS

OPINION

We have audited the Financial Statements of The Engineering Development Trust (Limited by Guarantee) (the charitable company) for the year ended 31 August 2023, which comprise 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

BASIS OF OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives a material misstatement in the Financial Statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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' Annual Report, incorporating the Directors' Report, for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Directors' Report 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.
We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 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' and directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the Financial Statements in accordance with the Small Companies' Regime and take advantage of the Small Companies' Exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Responsibilities of the Trustees' 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 charitable company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' REPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under these Acts.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We gained an understanding of the legal and regulatory framework applicable to the charity and the sector in which it operates through discussions with management, sector research and the application of relevant audit knowledge and experience.
- We made enquiries of management around actual and potential litigation and claims.
- We made enquiries of management and relevant staff and designed our audit procedures, including reviewing financial statement disclosures and testing of supporting documentation to access compliance with applicable laws and regulations.

- We identified the risk of material misstatement of the Financial Statements due to fraud and designed audit procedures to respond to the risk. We performed audit procedures designed to address the risk of fraud arising from management override of controls, including, but not limited to, testing of journal entries and other adjustments; reviewing accounting estimates for evidence of bias and evaluating the rational of significant transactions outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the Accounts of non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditors/audit-assurance-ethics/auditors-responsibilities-for-the-audit. 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 and to the charitable company's trustees as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006.

Our audit work has been undertaken so that we might state to the charitable company's members and trustees, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report or for the opinions we have formed.

D J MANT

SENIOR STATUTORY AUDITOR

230 Shirley Road
Southampton
SO15 3HR

25th April 2024

For and on behalf of Abraham & Dobell, Chartered Accountants, Statutory Auditor

Statement of Financial Activities for the Year ended 31 August 2023

Incorporating Income and Expenditure account

	Notes	2023 Unrestricted	2023 Restricted	2023 Total Funds	2022 Total Funds
		£000	£000	£000	£000
INCOME					
Donations and Legacies	2	1,517.7	187.3	1,705.0	649.7
Charitable Activties	3	1,194.1	-	1,194.1	1295.8
Investments	4	60.4	-	60.4	41.9
TOTAL INCOME		**£2,772.2**	**£187.3**	**£2,959.5**	**£1,987.4**
EXPENDITURE					
Cost of Raising Funds	5	186.2	-	186.2	207.5
Charitable Activties	6	2,138.9	16.9	2,155.8	1703.6
TOTAL EXPENDITURE		**£2,325.1**	**£16.9**	**£2,342.0**	**£1,911.1**
Net (Loses)/Gains from Investments	11	(55.2)		(55.2)	(40.2)
NET (EXPENDITURE)/INCOME AND NET MOVEMENT IN FUNDS		£391.9	£170.4	£562.3	£36.1
RECONCILLIATION OF FUNDS					
Total Funds Brought Forward		1,052.0		1,052.0	1,015.9
Total Funds Carried Forward		**£1,443.9**	**£170.4**	**£1,614.3**	**£1,052.0**

Statement of Financial Position for the Year ended 31 August 2023

	Notes	2023 £000	2023 £000	2022 £000	2022 £000
FIXED ASSETS					
Tangible Fixed Assets	10		14.5		4.9
Investments	11		1,823.5		1,478.7
TOTAL FIXED ASSETS			£1,838.0		£1,483.6
CURRENT ASSETS					
Debtors	12	212.5		260.8	
Cash at Bank and In Hand		292.8		169.1	
TOTAL CURRENT ASSETS		£505.3		£429.9	
LIABILITIES					
Creditors: Amounts falling due within one year	13	595.6		687.7	
NET CURRENT ASSETS/(LIABILITIES)			(90.3)		(257.8)
Provisions	15		(133.4)		(173.8)
TOTAL ASSETS LESS CURRENT LIABILITIES/NET ASSETS	18		£1,614.3		£1,052.0
CHARITABLE COMPANY FUNDS					
Unrestricted Income Funds	19		1,443.9		1,052.0
Restricted Income Funds	20		170.4		0.0
TOTAL CHARITABLE COMPANY FUNDS	18		£1,614.3		£1,052.0

FINANCIAL STATEMENTS

The trustees have prepared the Financial Statements in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual Financial Statements required by the Companies Act 2006 and are for circulation to members of the charitable company.

Approved by the Board of Trustees on 25th April 2024 and signed on its behalf by:

Professor Elena Rodriguez-Falcon, CHAIR OF TRUSTEES

The notes on pages 34 to 51 form part of these Financial Statements.

Company Registration Number 08879288

Statement of Cash Flows for the Year ended 31 August 2023

	Notes	2023	2022
		£000	£000
CASH FLOWS FROM OPERATING ACTIVTIES			
Net Cash provided/(used) in operating activities	28	500.0	(47.6)
CASH FLOWS FROM INVESTING ACTIVTIES			
Dividends from investments		60.4	44.2
Interest from investments		-	-
(Purchase)/sale of investments		(400.0)	100.0
Purchase of property, plant and equipment		(36.7)	(2.4)
NET CASH PROVIDED BY INVESTING ACTIVITIES		**(376.3)**	**141.8**
Change in cash and cash equivalents in year		123.7	94.2
Cash and cash equivalents at the beginning of the year		169.1	74.9
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	27	**£292.8**	**£169.1**

Notes to the Financial Statements
for the year ended 31 August 2023

1. ACCOUNTING POLICIES

Charity Information

The Engineering Development Trust is a charitable company established under its Memorandum and Articles of Association and is registered with the Charity Commission and Companies House in England and Wales and the Office of the Scottish Charity Regulator in Scotland. The principal address is Weltech Centre, Ridgeway, Welwyn Garden City, AL7 2AA. The charitable company is a public benefit entity.
The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

a) **Basis of Preparation**

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The Engineering Development Trust meets the definition of a public benefit company under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.
The Financial Statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest £000.

b) **Preparation of the Financial Statements on a Going Concern Basis**

The Trustees have prepared the Financial Statements on a going concern basis.

1. ACCOUNTING POLICIES cont.

c) Income

All income is included in the Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are received by way of donations and gifts and are included in full in the Statement of Financial Activities when receivable.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charitable company, are recognised when the charitable company becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charitable company where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.
- Investment income is included when receivable
- Income from charitable activities and grants which are related to performance and specific deliverables are accounted for as the charitable company earns the right to consideration by its performance.

d) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure excludes VAT as the charitable company is VAT registered. Expenditure on charitable activities comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and their associated support costs.

Support costs are those functions that assist the work of the charitable company but do not directly undertake the charitable activities. These costs have been allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource and are apportioned on an appropriate basis, e.g. floor areas, per capita or estimated usage.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the audit fees and costs linked to the strategic management of the charitable company.

1. ACCOUNTING POLICIES cont.

e) Tangible Fixed Assets

Tangible assets are measured at cost less accumulated depreciation and any accumulated impairment losses.
Fixed assets costing more than £100 are capitalised at cost.
Depreciation is provided at the following annual rates in order to write-off each asset over its estimated useful economic life:

Computer equipment	33.33% per annum on cost
Office equipment	33.33% per annum on cost
Software and website	33.33% per annum on cost

f) Investments

Investments are held as fixed assets and are included on the Balance Sheet at market value. Changes in the market value of investments between financial years are recognised in the Statement of Financial Activities as gains and losses.
Gains and losses made on the sale of investment in the year are shown on the Statement of Financial Activities.
Interest on cash deposited with banks and investment management companies is included in investment income in the Statement of Financial Activities.

g) Debtors

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

h) Cash at Bank and in Hand

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

i) Creditors and Provisions

Creditors and provisions are recognised where the charitable company 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.

j) Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

1. ACCOUNTING POLICIES cont.

k) Pension Costs - Further information on pensions is provided in note 26

The charitable company has three pension schemes for staff, which are the University's Superannuation Scheme (USS), the University of Southampton's Pension and Assurance Scheme for non-academic staff (PASNAS) and Scottish Widows Pension Scheme.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities due to the mutual nature of the scheme and, therefore, this scheme is accounted for as a defined contribution retirement benefit scheme. A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

PASNAS is a defined benefit scheme for which it is not possible to identify assets and liabilities due to the mutual nature of the scheme and, therefore, this scheme is accounted for as a defined contributions retirement benefit scheme.

Defined Benefit Schemes

Defined benefit schemes are post-employment benefit schemes other than defined contribution schemes. Under defined benefit schemes, the charitable company's obligation is to provide the agreed benefits to current and former employees. Because of the mutual nature of the schemes, a scheme-wide contribution rate is set.

The charitable company is exposed to actuarial risk and investment risk associated with other institutions' employees. The charitable company recognises a liability for its obligations under defined benefit schemes as a provision in the Accounts. The provision for net defined benefit liability arising from contractual obligations to fund past deficits is accounting for on a discounted present value basis.

Defined Contribution Schemes

A defined contribution scheme is a post-employment benefit scheme under which the charitable company pays fixed contributions into the scheme and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension schemes are expensed in the year during which services are rendered by employees. Scottish Widows is a defined contribution scheme and is accounted for on that basis.

l) Taxation

The charitable company is exempt from Corporation Tax on its charitable activities.

m) Fund Accounting

Unrestricted funds consist of the general purposes fund and designated funds. Designated funds are funds established by the trustees from time to time for specific projects or purposes. They are not in any way restricted and any surplus or deficit will be transferred to/from the general purposes fund when the designated fund is closed. Restricted Funds are funds subject to specific restrictions imposed by the donors.

1. ACCOUNTING POLICIES cont.

n) Financial Instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

o) Significant Judgements and Estimates

Preparation of the Financial Statements may require management to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

2. DONATIONS AND LEGACIES

	2023 Unrestricted £000	2023 Restricted £000	2023 Total £000	2022 Total £000
Donations and Legacies	**£1,517.7**	**£187.3**	**£1,705.0**	**£649.7**

All the donations and legacies received were unrestricted in the year to 31 August 2022. Our top four donors were GFG Foundation, Illumina Corporate Foundation, Garfield Weston Foundation and David & Elaine Potter Foundation. There were no donated services and facilities receivable which could be quantified in the year (2022 - £nil).

3. INCOME FROM CHARITABLE ACTIVITIES

	2023 Unrestricted £000	2023 Restricted £000	2023 Total £000	2022 Total £000
Income from Charitable Activities				
Experiences	**304.8**	**-**	**304.8**	**332.2**
Projects	**484.8**	**-**	**484.8**	**553.4**
Placements	**250.9**	**-**	**250.9**	**213.4**
Industrial Cadets Accreditations and Development	**153.6**	**-**	**153.6**	**196.8**
	£1,194.1	**-**	**£1,194.1**	**£1,295.8**

3. INCOME FROM CHARITABLE ACTIVITIES cont.

The charitable company has received grants from local authorities and organisations linked to the government to provide various services and specific deliverables. There were no unfilled conditions and/or other contingencies attaching to the grants that have been recognised in income.

The grants and donations shown above relate to payments received during the charitable company's year to 31 August 2023 but adjusted for any deferments where the expenditure arising for that grant is being incurred in a subsequent year.
Our top five funders were Scottish Power, GSK, Leonardo UK Ltd, Viridor Waste Management Ltd and UK Research & Innovation.

The income received from charitable activities was unrestricted for both years.

4. INVESTMENT INCOME

Investment income was unrestricted for both years.

	2023 Unrestricted £000	2023 Restricted £000	2023 Total £000	2022 Total £000
Investment Income				
Dividends	9.5	-	9.5	44.2
Profit/(Loss) on Sale of Investments	50.9	-	50.9	(2.3)
	£60.4	-	£60.4	£41.9

5. COST OF RAISING FUNDS

	2023 Unrestricted £000	2023 Restricted £000	2023 Total £000	2022 Total £000
Fundraising and Charity Development	186.2	-	186.2	207.5
	186.2	-	186.2	207.5

The cost of raising funds includes staff costs, travel expenses and general running costs and a portion of support and governance costs.
The expenditure on raising funds was unrestricted for both years.

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Staff Costs	Travel	Recruitment	Events Courses Workshops	Tutors Supervisors
	£000	£000	£000	£000	£000
Experience Days	448.1	23.7	4.5	67.4	0.0
Projects	443.6	12.3	4.4	74.0	0.0
Year In Industry	183.8	2.9	1.4	0.7	0.0
Industrial Cadets	133.7	7.4	1.0	3.1	0.0
2023 Total	**£1,209.2**	**£46.3**	**£11.3**	**£145.2**	**£0.0**
2022 Total	**£1,137.7**	**£29.8**	**£0.0**	**£91.2**	**£0.0**

	Running Costs	Support Functions	Governance Costs	Total Expenditure
	£000	£000	£000	£000
Experience Days	45.0	175.3	15.5	**779.5**
Projects	53.3	184.3	15.5	**787.4**
Year In Industry	75.6	68.6	15.5	**348.5**
Industrial Cadets	24.5	55.2	15.5	**240.4**
2023 Total	**£198.4**	**£483.4**	**£62.0**	**£2,155.8**
2022 Total	**£126.2**	**£265.3**	**£53.4**	**£1,703.6**

The expenditure on charitable activities was unrestricted for both years.

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The charitable company identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the main charitable activities undertaken in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

	General Support	Governance	Total Funds	Basis of Apportionment
	£000	£000	£000	
Staff Costs	251.2	48.3	299.5	Time/Usage
Travel	9.8	5.0	14.8	Usage
Pension Provision	(4.0)	0	(4.0)	Usage
Running Costs	61.6	1.2	62.8	Usage
Marketing/Publicity	33.6	0.0	33.6	Usage
Depreciation	7.3	0.0	7.3	Usage
ICT	121.9	0.0	121.9	Usage
Professional Fees	2.0	0.0	2.0	Usage
Audit Fees	0.0	7.5	7.5	Governance
	£483.4	**£62.0**	**£545.4**	

8. NET INCOME FOR THE YEAR

This is stated after charging:	2023	2022
	£000	£000
Operating Leases	**57.1**	**53.5**
Depreciation	**27.1**	**11.6**
Professional Fees	**2.1**	**4.6**
Audit Fees	**7.5**	**7.5**

9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2023 Total £000	2022 Total £000
STAFF COSTS		
Gross Salaries and Wages	1,404.5	1,293.8
Social Security Costs	129.6	120.3
Pension Costs	167.4	159.1
Pension Provision for USS (Note 26)	(40.5)	(41.8)
	£1,661.0	**£1,531.4**

	2023	2022
The average number of Employees during the year:	43	44
Equivalent full-time	40	42
The number of high paid employees over £60k was:	2	1
In the band £100,000 - £110,000	1	1
In the band £90,000 - £100,000	0	0
In the band £80,000 - £90,000	0	0
In the band £70,000 - £80,000	0	0
In the band £60,000 - £70,000	1	0
The employee benefits of higher paid employees:	£9.9k	£9.5k

	2023	2022
Trustee renumeration throughout the year	£0	£0
Trustees may claim for reimbursement of expenses incurred whilst discharging their role as a trustee.		
During the year 9 Trustees claimed travel expenses	£1.6	£1.4

10. TANGIBLE FIXED ASSETS

	Software and Website	Computer Equipment	Office Equipment	Total
	£000	£000	£000	£000
Cost				
At 31st August 2022	300.6	143.7	19.8	464.1
Additions	-	36.4	0.3	36.7
Disposals	-	-	-	-
At 31st August 2023	300.6	180.1	20.1	500.8
Depreciation				
At 31st August 2022	299.2	142.1	17.9	459.2
Provided for the year	1.4	23.8	1.9	27.1
At 31st August 2023	300.6	165.9	19.8	486.3
Net Book Values				
At 31st August 2023	-	£14.2	£0.3	£14.5
At 31st August 2022	£1.4	£1.6	£1.9	£4.9

11. INVESTMENTS

	2023 Total £000	2022 Total £000
Market Value		
CCLA Charities Common Investment Fund	1,673.7	1,292.6
CCLA Charities Property Fund	149.8	186.1
Market Value at the end of the Financial Year	**£1,823.5**	**£1,478.7**

Reconciliation of Movement in Market Value of Investments		
Market Value at start of the financial year	1,478.7	1,621.2
Sale of Investment at Market Value (Sept. 2022)	-	(100.0)
Purchase of Investment	400.0	-
Loss of sale of investment (Sept. 2022)	-	(2.3)
Net (loss)/gain on revaluation of investments at the end of the financial year	(55.2)	(40.2)
Market Value at the end of the Financial Year	**£1,823.5**	**£1,478.7**

	2023 Total £000	2022 Total £000
Cost		
CCLA Charities Common Investment Fund	847.2	847.2
Additions	400.0	-
	1,247.2	**847.2**
CCLA Charities Property Fund	134.5	134.5
Cost at the end of the Financial Year	**£1,381.7**	**£981.7**

12. DEBTORS

	2023 Total £000	2022 Total £000
Trade Debtors	**140.4**	**211.5**
Other Debtors and Prepayments	**72.1**	**49.3**
	£212.5	**£260.8**

13. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 Total £000	2022 Total £000
Trade Creditors	167.7	262.6
VAT	1.2	31.9
Taxation and Social Security	25.6	22.2
Pension Scheme Contributions	8.7	8.9
Deferred Income (Note 14)	214.8	311.1
Accruals	177.6	51.0
	£595.6	**£687.7**

14. MOVEMENTS IN DEFERRED INCOME

	2023 Total £000	2022 Total £000
Deferred Income at 1 September	311.1	361.8
Deferred Income released during the year	(311.1)	(361.8)
Income received during the year and deferred	214.8	311.1
Deferred Income at 31 August	**£214.8**	**£311.1**

15. PENSION PROVISION

	2023 Total £000	2022 Total £000
Provision at 1 September	173.8	215.6
Discount rate adjustment	(26.4)	(27.8)
Deficit contributions paid in the year - USS	(14.0)	(14.0)
Provisions at 31 August	**£133.4**	**£173.8**

16. FINANCIAL INSTRUMENTS

	2023 Total £000	2022 Total £000
Financial Instruments measured at the amortised cost comprise the following:		
Financial assets that are debt instruments (Trade Debtors)	140.4	211.5
Financial liabilities that are debt instruments (Creditors)	203.2	325.6

17. OPERATING LEASES

The charitable company is committed to payments after the year ended 31 August 2023 under non-cancellable operating leases which expire as follows:

	2023 Total	2022 Total
	£000	£000
Premises Licences to occupy expiring between 1-5 years	14.6	20.7
Office Equipment - expiring between 1-5 years	1.3	2.4
	£15.9	**£23.1**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2023 General Funds	2023 Restricted Funds	2023 Total Funds	2022 Total Funds
	£000	£000	£000	£000
Tangible Fixed Assets	14.5	-	14.5	4.9
Investments	1,823.5	-	1,823.5	1,478.7
Current Assets	334.9	170.4	505.3	429.9
Currrent Liabilities	(595.6)	-	(595.6)	(687.7)
Provisions	(133.4)	-	(133.4)	(173.8)
Total Funds	**£1,443.9**	**£170.4**	**£1,614.3**	**£1,052.0**

19. ANALYSIS OF CHARITABLE FUNDS

Unrestricted Funds comprise those funds which trustees are free to use in accordance with the charitable objects. Restricted Funds are funds which have been given by a donor for particular purposes and projects.

	At 01-09-22	Incoming Resources	Outgoing Resources	At 31-8-23
	£000	£000	£000	£000
Analysis of Movements in Unrestricted Funds				
General Funds	1,052.0	2,522.2	2,380.3	1,193.9
Designated Funds		250.0		250.0
Total Unrestricted Funds	**£1,052.0**	**£2,772.2**	**£2,380.3**	**£1,443.9**
Analysis of Movements in Restricted Funds				
Fund 1	-	100.0	-	100.0
Fund 2	-	87.3	16.9	70.4
Total Restricted Funds	**-**	**£187.3**	**£16.9**	**£170.4**
Total Funds	**£1,052.0**	**£2,959.5**	**£2,397.2**	**£1,614.3**

20. RESTRICTED FUNDS

The restricted funds are comprised of two funds from charitable organisations who prefer to remain anonymous.

- **Fund 1 -** is £100k, being the first instalment of a three-year project to deliver a new programme to inspire STEM apprenticeships.
- **Fund 2 -** is for £87.3k, being a three-year project to establish a new Head of Impact role and improve data capture systems. At the year end £16.9k of this fund been spent.

21. DESIGNATED FUNDS

A designated fund of £250k was established to assist in securing matched funding.

22. CONTINGENT LIABILITIES AND POST BALANCE SHEET EVENTS

The charitable company had no contingent liabilities as at 31 August 2023 (2022 - £nil). There are no post balance sheet events as at 31 August 2023 (2022 - none).

23. RELATED PARTY TRANSACTIONS

A number of trustees are directors of, or are associated with, organisations that provide funding to the charitable company or participate in our schemes/programmes. There were no related party transactions arising in the year to 31 August 2023 (2022 - none).

24. TAXATION

As a registered charity, the charitable company's income is generally exempt from Corporation Tax under Section 478 of the Corporation Taxes Act 2010 by reason of its charitable objects and activities.

25. LEGAL STATUS OF THE CHARITABLE COMPANY

The charitable company is a private company limited by guarantee and has no share capital. The liability of each trustee, in the event of winding-up, is limited to £1.

26. PENSION COSTS

The charitable company has three pension schemes for staff :

- The University's Superannuation Scheme (USS), the University of Southampton's Pension and Assurance Scheme for non-academic staff (PASNAS)
- Scottish Widows Pension Scheme.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities due to the mutual nature of the scheme and, therefore, this scheme is accounted for as a defined contribution retirement benefit scheme. A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

PASNAS is a defined benefit scheme for which it is not possible to identify assets and liabilities due to the mutual nature of the scheme and, therefore, this scheme is accounted for as a defined contributions retirement benefit scheme.

Defined Benefit Schemes are post-employment benefit schemes other than defined contribution schemes. Under defined benefit schemes, the charitable company's obligation is to provide the agreed benefits to current and former employees. Due to the mutual nature of the schemes, a scheme-wide contribution rate is set. The charitable company is exposed to actuarial risk and investment risk associated with other institutions' employees. The charitable company recognises a liability for its obligations under defined benefit schemes as a provision in the Accounts. The provision for net defined benefit liability arising from contractual obligations to fund past deficits is accounting for on a discounted present value basis.

Defined Contribution Schemes are post-employment benefit schemes under which the charitable company pays fixed contributions into the scheme and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension schemes are expensed in the year during which services are rendered by employees. Scottish Widows is a defined contribution scheme and is accounted for on that basis. 'Trustees of the University of Southampton Pension and Assurance Scheme'. The Engineering Development Trust has no representation on either of these externally administered schemes. The PASNAS closed to new members on 31 December 2018.

26. PENSION COSTS cont.

A group personal pension scheme with Scottish Widows was set up in August 2017. This is a defined contribution scheme meeting the requirements of the auto-enrolment legislation for new employees not eligible for membership of the USS pension scheme.

The total pension cost for the charitable company was £167.4K for the year (2022 £159.1K).
The trustees of The Engineering Development Trust consider and review updates and information received from the trustees of each pension scheme.

USS

FRS102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS102. The directors are satisfied that the USS meets the definition of a multi-employer scheme and that contractual contributions under the recovery plan in existence at the balance sheet date have been recognised at a discounted fair value.

The latest triennial actuarial valuation was in March 2023 when the scheme surplus was valued at £7bn, a significant improvement since the estimated £2.1bn shortfall at 31 March 2022. Following the 2020 valuation, the USS Trustees were working towards an 18-year recovery plan ending in April 2038 but are now looking to reduce employer and employee contributions and uprate scheme benefits from April 2024.

EDT is committed to paying annual deficit recovery contributions equivalent to 6.2% until 31 March 2024 and then 6.3% until 30 April 2038. The present value of these future contributions was calculated as £133.4k at the Balance Sheet date and was provided for. The equivalent provision for the previous financial year was £173.8k. In calculating this provision, future staff levels within the USS were estimated for the duration of the contractual obligation and the following assumptions were used:

	2023	2022
Discount rate (BoE forward rate)	5.11%	3.7%
Average annual pensionable salary growth	3%	3%

26. PENSION COSTS cont.

The deficit recovery contributions paid in the year amounted to £14k.

The contribution rate payable by the charitable company remained at 21.6% of pensionable salaries for the entire year. The contribution rates include the deficit recovery contribution. Throughout the period, employees' contribution was 9.8%. At 31 August 2023, out of a total active membership in USS of 223,229 (as per USS March 2023 report), the charitable company had 5 active members participating.

PASNAS

The triennial valuation for PASNAS as at 31 July 2021 revealed a deficit of £56.5m, corresponding to a funding level of 83%. The latest updated position, at 31 July 2023, indicated a deficit of £3.6m, 98% funding level, the improvement being driven by a £30m contribution to the scheme by the Southampton University. Following the 2021 valuation, the university continues to pay deficit contributions. The PASNAS Trustees currently aim at clearing the deficit by 31 March 2031.

EDT has not entered into a formal agreement to make payments in relation to future contributions to cover any deficit relating to past service of the members of the schemes. As such, it is unable to recognise the present value of future contributions as they are not known at the balance sheet date. It may change in future accounting periods.

The contribution rate payable by the charitable company at the Balance Sheet date was 20.7% of pensionable salaries (7.2% for employees). As at 31 August 2023, the charitable company had 8 active members participating, out of 965 active members in PASNAS (31st July 2023).

27. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 Total	2022 Total
	£000	£000
Cash at Bank and In Hand	292.8	169.1
Total Cash and Cash Equivalents	**£292.8**	**£169.1**

28. RECONCILIATION OF NET INCOME/ EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 Total £000	2022 Total £000
Net (Expenditure)/Income for the year (as per the Statement of Financial Activities)	**562.3**	**36.1**
Adjustments for:		
Depreciation Charges	27.1	11.6
Loss /(Gain) on Investments	55.2	40.2
Dividends from Investments	(60.4)	(44.2)
Loss/(Gain) from Sale of Investments	0.0	2.3
Decrease/(Increase) in Debtors	48.3	103.2
(Decrease) in Creditors & Provisions	(132.5)	(196.8)
Net cash Provided by/(Used in) operating activities	**£500.0**	**(£47.6)**



The support of our donors, funders, sponsors, and volunteers helps bring us one step closer to a fairer society where all young people can develop the skills, knowledge, and confidence they need to succeed in STEM.

Whether you have volunteered at an event, mentored a young person, made a one-off donation, supported us through a corporate partnership or awarded us a grant, we thank you. We are hugely grateful for each and every one of our supporters.

Particular thanks to the following organisations for their significant support in 22/23:

AIRBUS FOUNDATION · avantor foundation · ARUP · BAE SYSTEMS · Balfour Beatty · DIODES INCORPORATED · Garfield Weston FOUNDATION · GFG FOUNDATION · GSK · IET The Institution of Engineering and Technology · illumina · UKRI Innovate UK · leidos · LEONARDO · The David & Elaine Potter Foundation · Rolls-Royce · ScottishPower · Virgin media O2 · Viridor

We would also like to thank Belling Charitable Settlement & John Swire 1989 Charitable Trust. As well as all our regional supporters that help to fund our communities nationwide.

GET INVOLVED

Your support will help inspire the next generation of STEM leaders. Donations, corporate support, and gifts of time can enable young people to take part in hands-on STEM activities and projects, work with mentors from diverse backgrounds, and build vital connections with industry and educators.

Talk to our philanthropy & partnerships team about supporting high impact programmes which make a real difference to young people's lives.

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Annual report & Financial Statements for the Year ended 31 August 2022



Connecting young people with industry and inspiring STEM futures



EDT Industrial Cadets

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WELCOME



EDT and Industrial Cadets had a busy academic year in 2021/22. We delivered more Industrial Cadets accredited programmes for young people than ever before and are well on our way to reaching our target of 250,000 Industrial Cadets.

During the last academic year, we have continued to adapt to an evolving funding and educational environment to benefit a diverse range of students, enabling social mobility and striving to create opportunities for all.

We are pleased to share that, during the 2021/22 academic year, we have seen an increase in the number of students from ethnic minority groups. We have also seen an increase in female participants taking part in our programmes. Diversity and inclusion are key to our mission and we are proud to do our part in closing the gender gap and addressing the under-representation of ethnic minority groups in the STEM sector.

Looking forward, it is important for us to continue to focus on the issues that have been created by the pandemic and the Cost of Living Crisis. We understand the challenges this can bring to families and students who want the best chance in life to succeed through STEM. For 2022/23 academic year, we are delighted to say that we are able to support students and families hardest hit financially with an exceptional grant which will enable assistance for all those who need it most to participate in our Industrial Cadets programmes.

OUR COMMITMENT

EDT's vision is a society where all young people can develop the STEM skills, knowledge and experience they need to take control of their futures and change the world around them. To achieve this vision, we are committed to:

- Supporting young people, their families and teachers to understand the pathways to STEM careers, including Apprenticeship and Graduate opportunities;
- Working with industry and education partners to help young people across the UK to build their skills, find out more about careers within STEM and gain access to inspiring role models;
- Helping young people, their families and teachers to gain knowledge and understanding of the pathways into STEM.

I would like to thank our students, teachers, volunteers and funders, who continue to work closely with us to achieve our vision of a society where all young people have the tools they need to create their best future.

Julie Feest, Chief Executive of the EDT

LONG-TERM OBJECTIVES

Identifying the long-term objectives and needs in STEM and how we as a charity are working to tackle these issues.

THE STEM SKILLS SHORTAGE

The STEM skills shortage in the UK has been the focus of political, policy and industry debate for decades. There is an estimated shortfall of over 173,000 workers in the STEM sector, equating to an average of 10 unfilled roles per business in the UK (IET, 2021). It is estimated to cost employers an astonishing £1.5 billion each year in additional training costs, recruitment, temporary staffing and salary inflation.

At the same time, young people tell us that they struggle to access STEM careers information, and lack confidence when it comes to making choices about pathways into jobs and further study. We know that young people enjoy STEM but without the right support, cannot access the future opportunities it can yield.

EDT are committed to closing the STEM skills gap through our industry-informed range of educational activities, projects and placements, which connect young people and educators with the world of STEM employment and further study.

A DIGITAL AND GREEN FUTURE

The last few years have seen unprecedented gains in digitalisation, accelerated by the COVID-19 pandemic. While the need for digital skills continues to increase, many companies are still catching up when it comes to getting talent with the right skills into the workplace.

Not only has the UK become the second largest digital economy in the world, we have also seen huge growth in green jobs as companies work towards Net Zero. The UK government has the ambition to create 2 million green jobs by 2030 and estimates that 6.3 million jobs are set to be affected by the transition to a low carbon economy over the next 30 years. This represents a market share of approximately 6% and 20% of the UK workforce. Young people want to work in a purposeful business - taking action on environment and aligned to their values. This focus on careers with a clear purpose is broader than just environment, and is key for growth across all STEM industries.

EDT supports young people to build the skills they will need for the future and explore emerging careers, from Cyber Security to Artificial Intelligence. We will continue to offer a range of virtual outreach opportunities alongside our face-to-face work in schools that support these growth areas.

LONG TERM OBJECTIVES

STEM SKILLS GAP AND UNDER-REPRESENTATION

Females, ethnic minority groups, people with disabilities and those from disadvantaged socio-economic backgrounds are under-represented in education, employment and training related to STEM.

EDT work with our partners across education and industry to enable these under-represented groups to access equal opportunities in STEM. We achieve this through:

- Fun activities designed to build confidence and break down perceptions of STEM as "not for kids like me".
- Hands-on tasks which emphasise the real-life relevance and practical applications of STEM skills.
- Activity themes chosen by young people as relevant to their own lives, including Sustainability, Health, Engineering, Aerospace, Digital World, Artificial Intelligence and Circular Economy.
- Outreach which focuses on local and regional employment opportunities, connecting young people with opportunities and role models in their own communities.
- Face-to-face interactions with a diverse range of mentors, enabling young people to "see themselves" in STEM careers.

We are proud to announce that in the last academic year, over 50% of students participating in our Individual Student Programmes were from under-represented groups in STEM.





INDUSTRIAL CADETS

EXPERIENCES, PROJECTS AND PLACEMENTS

At EDT we believe every young person should have the chance to embrace STEM opportunities. In collaboration with industry and educational partners we have developed the Industrial Cadets portfolio and pathway of programmes to help students access STEM learning and experience the world of work.

Industrial Cadets is an industry-led quality benchmark for STEM educational programmes to build pathways through education to employment. There are five levels of Industrial Cadets:



Challenger Bronze Silver Gold Platinum

EDT Experiences

Ages 7 - 18



EDT experiences show young people how STEM is relevant, interesting and can lead to a range of rewarding careers. Through EDT experiences including Industrial Cadets Virtual Routes Into STEM, Insight into University and Virtual Work Experience, young people work on hands-on challenges and interact with STEM professionals and educators.

EDT Projects

Ages 13 - 17



EDT Industrial Cadets Gold and Bronze projects engage young people in real-life STEM challenges, mentored by industry professionals. Students develop core STEM and employability skills including project management, communication, team-working, time management, presentation, report writing and more.

EDT Placements

Ages 17+



Year in Industry placements are for post A-Level/ Higher/ Advanced Higher or equivalent school leavers and undergraduate students looking for professional development within the STEM industry. Students complete a 10 to 12-month paid work placement within their intended career sector. Placements are available for all areas of STEM as well as business and finance.

Alongside EDT's Industrial Cadets accredited programmes, we also work with companies to accredit their own educational outreach activities. In 2021/22 academic year, we worked with 36 partners and accredited 67 new programmes enabling thousands more students to achieve their Industrial Cadets awards.

OUR IMPACT

DIVERSITY & INCLUSION

Young people are at the heart of all we do. We value diversity and strive to offer equal access and inclusive opportunities for all young people.

58% of students taking part in EDT's Industrial Cadets Bronze Project were female

49% of students taking part in EDT's Industrial Cadets Silver Insight into University were from ethnic minority groups

40% of students who took part in EDT's Industrial Cadets Year in Industry Placements were First in Family

22.5% of school children in the UK are eligible for free school meals

(*Source: Department for Education, June 2022)

33% of schools taking part in EDT's Industrial Cadets Challenger Experiences had above the national average of students on free school meals





OUR IMPACT

INSPIRING YOUNG PEOPLE

In collaboration with employers and partners, we have delivered impact for young people within schools, colleges and universities across the UK.



This academic year, we delivered over 45,000 experiences across the UK.

Quotes from our students

"Thanks for the brilliant experience of a lifetime, it has inspired me and touched me and made me unlock my inner creativity".

"It's made me aware of how important STEM careers are for the world and made me want a career that positively influences the world".

"Hearing from different professionals and apprentices currently in the field is kind of inspiring that STEM isn't really just a dream but actually realistically achievable and we can follow different steps to become one of them".

"Really enjoyed learning more about the industry from people just starting out and people who have been in the industry for years."

99%

of students agreed they improved their skills and knowledge after taking part in Industrial Cadets Bronze Routes into STEM

97%

of students are likely to study a STEM subject at university after participating in Industrial Cadets Silver Insight into University

89%

of students taking part in Industrial Cadets Gold Project rated it as Excellent or Very Good

80%

of students taking part in Industrial Cadets Placements went on to apply for their placement company's graduate scheme

OUR IMPACT

INSPIRING YOUNG PEOPLE





45,000

Over 45,000 Industrial Cadets experiences were delivered overall in 2021/22 Academic Year

50%

Of students participating in Industrial Cadets Bronze Routes into STEM programmes said they wanted to continue their Industrial Cadets journey

92%

Of students feel the skills & knowledge they gained from Industrial Cadets Silver Virtual Insight into University programme will have a positive impact on their future

99%

of students said they will use their Industrial Cadets Gold Project experience to strengthen their application to their post 18 further education

Quotes from our students

"I really enjoyed partaking in this course. It definitely helped me to have a much better understanding of STEM at university and has secured my decision in going down the route of STEM in my future career. It was most useful to join the live sessions as each session individually provided a lot of newfound information that is usually not available online. Each of the guests on the sessions used their expertise to provide us with knowledge of different aspects of university and careers in STEM."

"It was very helpful since it was not just reading bunch of information but we were actually getting involved in the project. By learning more independently, the quality of the knowledge I gained and the understating of the concept was much greater."

"I really enjoyed completing the course! It helped me to practice my independent study and research skills, which I feel is good preparation for university. Furthermore, the knowledge I gained about the university lifestyle and workload has made me feel less stressed and has given me helpful insight into life as a student and studying as a student. Most importantly though, I learnt a lot from this course, not just factual information but also about myself and my learning style."

CASE STUDIES

CORPORATE PARTNERSHIPS

We work in collaboration with our corporate partners to design and develop bespoke programmes aligned to their strategic priorities.

GSK have supported EDT's Industrial Cadets programmes for a number of years, alongside introducing new bespoke offerings that we have developed in collaboration. In the 2021/22 academic year GSK were able to offer students an opportunity at every level of the Industrial Cadets Pathway, becoming the first corporate partner to support young people in this way.

All GSK Industrial Cadets Placement students have the opportunity to achieve an Industrial Cadets Platinum/Platinum Leader award. Last year we had a record number of 165 students graduating at this level. Through GSK's support of other Industrial Cadets programmes, Placement students gain the opportunity to volunteer which enables them to support and inspire younger students starting on their journey to a future STEM career.

97%

of students feel that they have improved their skills & knowledge by taking part in the Industrial Cadets Bronze Project

99%

of students will use their experience to strengthen their application to university, apprenticeship programmes or other post-18 applications

86%

of Platinum/Platinum Leader students said they were planning to apply to the GSK Graduate scheme



"My Industrial Cadets experience was amazing I had so much fun. It really helped my confidence grow and encouraged me to carry on chasing my dreams. Furthermore, I made some new friends who helped me when I was struggling and who reminded me to keep going."- Student

"It has been wonderful how EDT has managed to help the school build connections with industry. The mentors have been very approachable and knowledgeable and have supported the students to complete the project." - Teacher

524 students achieved their Bronze Industrial Cadets Award

60% of Platinum Leader students would like to be kept informed of volunteering opportunities by EDT

CASE STUDIES

CORPORATE PARTNERSHIPS

We partnered with Avantor Foundation to deliver an Industrial Cadets Virtual Work Experience which was delivered at the end of July 2022 to young people aged 14-18 years old.

The experience was available for over **110 motivated students** to broaden their knowledge of Avantor and the pathways available to them after finishing school, showcasing future career opportunities and giving them the opportunity to interact with industry professionals.

98%

of students agreed they learnt more about Avantor from taking part in the week and found it valuable

94%

of students rated their experience 'Good', 'Very good' or 'Excellent'

100%

of students felt their Industrial Cadets experience inspired them to see a future in STEM

We also ran the Avantor Insight into STEM careers workshop 22 times over the 2021-2022 academic year for students in Year 9 -11 in England. Students broadened their knowledge of STEM careers and the essential skills they may need.

2115 students achieved their Industrial Cadets Challenger Award

100% of teachers agree or strongly agree that the content was beneficial and relevant to their students

"Thank you so much for such a fun activity, I've learnt a lot of new skills and now I am quite interested in STEM - and I want to do more activities!" - Student

"This was an excellent, well-organised day promoting STEM which the children thoroughly enjoyed. Thank you" - Teacher

CASE STUDIES

TRUSTS & FOUNDATIONS

Our partnerships with grantmakers and philanthropists help us to expand our programmes, inspiring young people from under-represented groups to see themselves in STEM.

Garfield Weston FOUNDATION

Core funding from Garfield Weston Foundation is enabling EDT to provide more young people, from diverse backgrounds, with high-quality STEM experiences through the Industrial Cadets skills and competency framework.

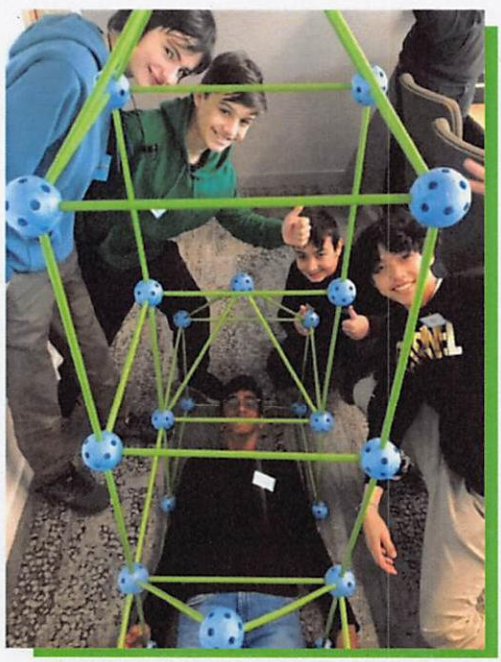
Their support has meant that we've been able to expand the network of schools, students, employers and volunteers who are part of the Industrial Cadets community.

Core funding has been hugely important in enabling us to invest in the development of Industrial Cadets and to leverage other funding and partnerships.

As well as building STEM knowledge and aspirations, Industrial Cadets accredited activities and awards help young people to develop their skills for life, work and wellbeing. Young people who participate say that their experience has helped them with teamwork, communication, problem-solving and confidence.

"I have really appreciated the chance to take part in Industrial Cadets. It has been such an amazing experience and I feel it has really helped me to grow as a person. When I first started, I remember being so confused, thinking was this really for me? But throughout the months I have learnt so much, and I feel so much more confident when taking part in anything involving STEM."

Industrial Cadets participant 2021/2022



CASE STUDIES

TRUSTS & FOUNDATIONS

Cadent Foundation awarded us with a grant to educate young people on the importance of STEM in solving environmental challenges, empowering them to use their skills to develop climate solutions.

The funding was used over two years (2020-2022) to deliver Industrial Cadets Bronze projects with Year 8 and 9 pupils, predominantly in areas with above-average levels of deprivation and youth unemployment.

With support from a mentor, the pupils use fun and educational activities to develop environmental solutions to key issues such as waste management and recycling, energy use and designing buildings for climate change. The programme also showcases the career pathways available including apprenticeships and graduate opportunities.

216 students, working in 38 teams, from 21 different schools took part in the projects, proposing environmental solutions to a challenge within their school or community, each gaining an Industrial Cadets Bronze Award.



"In a year when young people have faced multiple activity cancellations the opportunity to work on an environmental project supported by mentoring from STEM professionals was a much-needed and positive experience for young people. As well as developing their knowledge of STEM, the students achieved an Industrial Cadets Bronze Award and developed key life and employability skills such as teamwork, communication, problem-solving, project management, innovation, ICT and numeracy skills."

Julie Feest, Chief Executive Officer of EDT.

CASE STUDIES

EDUCATION

We delivered programmes to different schools to help students reach their potential in the STEM field.



Hannah Burns is an S3 student at Woodfarm High School in Scotland. She participated in an Industrial Cadets Bronze Project as part of a team with five other girls from her year group during the pandemic and took part in a Challenger event in October 2022.

Before taking part in the programme, Hannah had a general understanding of STEM. However, after taking part, she gained more knowledge of what studying STEM courses entails. Hannah's favourite subjects are Physics, Chemistry and Technology.

We asked Hannah what skills she developed during her experience and she said: *"I developed a lot of skills, especially communication and teamwork."*

"These were especially important when doing the project, so we knew what the other team members were doing and avoided two people doing the same thing. It helped us make progress with the project."

Hannah did some of her project remotely due to the pandemic, so these skills were vital for her success. She also acknowledged that these skills are really important as they are needed in any future career.

The programme also helped Hannah to have a wider understanding of different STEM careers. Hannah said she didn't know that certain jobs existed, especially in construction (the project Hannah did was on built environment), so the project broadened her knowledge of other careers.

Hannah enjoyed the project in general but especially liked the model-making aspect, as she likes doing things with her hands and has always liked cars. She watches Top Gear with her dad and has gone to car events with him.

Hannah is currently studying Product Design & Manufacture and Art. In the future, she hopes to study Automotive Design at Coventry University.

INSPIRING VOLUNTEERS

Through our programmes, we inspire and encourage our alumni to become volunteers and continue their involvement with EDT, enabling them to support other Industrial Cadets on their STEM educational journey.



Fatima Sajid (pictured) completed her Year in Industry placement in summer 2021 at Avanti West Coast Trains. Fatima recently volunteered to mentor an Industrial Cadets Bronze team, which she found very rewarding.

Fatima said: *"I had a fantastic time being an Industry mentor for a school team for their Industrial Cadets Bronze Award, the students had many creative ideas and you could see them develop core skills as the project went on.*

It was very rewarding to see all the students' hard work be recognised through awards at their celebration event which wrapped up their year. I was involved in running a stand and being part of a Q&A panel during this celebration. It was brilliant as I could actually make an impact on the next steps some of the students would take from undertaking their Industrial Cadets Gold Award in the future to completing a Year in Industry!"

'EDT provided additional support to my placement which enhanced the value of the placement. By running Masterclasses, providing external mentors and Industrial Cadets awards it provided extra opportunities to learn and gain extra value from my Year in Industry' -
Year in Industry Placement Student

'My mentor was the best part of my Year in Industry Placement. He gave such great advice and made me feel really supported. It was lovely having someone completely separate from the company' - Year in Industry Placement Student



PERFORMANCE AND ACHIEVEMENTS

Consultation with stakeholders

During the pandemic we transformed our method of delivery based on feedback from our funders, partners, staff and beneficiaries to ensure we offer the best service we could, given the volatility of the situation which still remained at the start of 2021/22. We received overwhelmingly positive feedback from all stakeholders, as they appreciated our agile, flexible and tailored approach and the fact that we continued with all our programmes despite challenges. There was a strong consensus for a hybrid model going forward, making best use of the advantages of both virtual and face-to-face elements.

A key focus for the charity during this year has been to consult with our Board of Trustees to further refine EDT's proposition and messaging, building to a new strategy and business plan which would be implemented by the start of the following financial year. This consultation involved a trustee survey, enabling the Trustees to consider our priorities, as EDT transitioned away from necessary short-term decision-making due to the pandemic, to a medium-to-long-term vision of EDT's ambition, supported by the Board of Trustees and the Executive. The survey identified where there is broad consensus and where there would be further debate. That debate continued at the October Board where a strategic workshop was held, enabling the Trustees and the Executive Team to work on a strategy to take the charity forward to 2025.

Our vision, mission, messaging and brand were developed using an Adaptive Strategy with an associated business plan and a 'Big Opportunity' identifying key pilots of growth in 22/23.

The academic year and its disruption

Despite the continued effects of the pandemic, we managed to run limited activities face-to-face for the first time since Covid, including Industrial Cadets Gold workshops, taking place in January 2022, and some Challenger Experience Days, while the majority of activities was still delivered virtually. The entire EDT team did an outstanding job adapting to the changes and providing a high quality service to all our students. As teachers settled into the environment of in-class and remote teaching, depending on the circumstances, they were able to call on EDT to help them in areas of most need such as virtual work experience.

Sector and theme focus

The charity has seen huge success moving away from a generic STEM theme to one focused on specific subjects in areas such as Environmental Sustainability, Circular Economy, Net Zero, Cyber, AI, Aerospace and Health. The focus on sectors and specific topics appeals to students and funders, with EDT uniquely positioned with its strong links to industry and schools/universities and experience in creating curriculum-aligned exciting, relevant content.

Flexibility for funders

EDT worked in partnership with corporates, public funders and trusts to continue to develop our exciting programmes but also increased flexibility in developing bespoke programmes to meet particular needs (an example of this would be with Avantor Foundation to deliver an Industrial Cadets Virtual Work Experience to broaden their knowledge of Avantor, career pathways available to them after finishing school).

Digital learning platform

We continued to use our Digital Learning Management System for virtual delivery during 21/22, making content changes to give a solid and interactive experience to students.

The platform gives the advantage to students that they can work through courses at their own pace, picking up when they have spare time from the point they last left. They can see how much of the course they have completed, attend live or recorded sessions during the course and receive their Industrial Cadets Award digitally on completion.

The feedback we have received on the platform has been excellent, together with the receipt of a 'Digital Innovation of the Year' Award from Enginuity in November 2022.

The Engineering Development Trust in Scotland

Despite thinking that the the Covid pandemic was coming to and end, 2021/22 was another challenging year for our stakeholders and EDT in Scotland. Although schools did not close, there were many interruptions. This resulted in a high number of teacher and student absences, putting additional pressure on resources at schools. Industry also struggled, with absenteeism and a high turnover of staff. Despite these challenges, schools and industry continued to support our projects and experience days. We were also fortunate to have support from the Levenmouth Project in Fife to deliver a suite of programmes and experiences from primary to senior phase in high school. The Levenmouth Project was led by Network Rail and BAM Nuttal along with six of their subcontractors.

In all, the Scotland EDT team successfully delivered:

- Challenger, Experience Days engaging 5,073 young people;
- Bronze Project engaging 331 young people;
- Gold Project engaging 33 young people;
- Virtual Work Experience for 157 young people registered, of which 71 fully completed;
- 49 young people were placed by the Year in Industry programme.

The students who participated in our programmes provided us with very positive feedback:

"I have no doubt that a number of our pupils will want to pursue STEM careers in the future and it is projects like this that make such a future a reality" (Teacher's feedback on Challenger, Experience Day)

"Industrial Cadets Bronze have encouraged our pupils to challenge themselves to gain new skills. By working as part of a small group, they developed their confidence and achieved things they previously thought were impossible" (Teacher)

"I chose to take part in this project because I thought the qualifications and awards would be very useful for the future. I was also very interested in working as part of a team to complete a project together" (Pupil)

95.5% of mentors stated that the Bronze Project was relevant to their companies' policies and practices.

All in all, 2021/22 was a good year that highlighted the commitment of the charity to continue its support for the STEM agenda in Scotland. There is still work to be done to re-establish support with some stakeholders, but, overall, corporate support was strong despite the challenges and there was an appetite for STEM engagement with schools.

FINANCIAL REVIEW

The effects of the Covid 19 pandemic were still felt in 2021/22. The charitable company continued to adapt in response to the challenges, aiming to stabilise its streamlined structure and hybrid delivery model by the end of the financial year while launching a strategic consultation with the Board of Trustees and identifying the growth opportunities for 2022/23 and beyond.

Even if it didn't return to pre-pandemic levels, the income progressed across our donations and charitable activities, with the exception of Placements. The total income for the year increased by £378k (23%) from last year to £1,987.4k, excluding Other Income. No additional income in the form of Coronavirus Job Retention Scheme grants was received in the year.

During 2021/22, the charity was able to ascertain its contractual future commitments towards the deficit recovery of the defined-benefit pension scheme, USS. As a result, a provision, being the present value of EDT's future deficit contributions, was included in the accounts as a long-term provision. The change was accounted for retrospectively as a prior year adjustment, from 2020/21, and the impact in the year 2021/22 was a £41.8k reduction in staff costs. Excluding the movement in pension provision, the total expenditure was £1,952.9k, an increase of £110.8k (6%) from last year which reflected increased activity levels. The movement in pension provision decreased the total expenditure to £1,911.1k.

The uncertain and volatile market conditions translated into an investment revaluation loss (the first time since 2012) of £40.2k for EDT and, after the revaluation loss and a sale of £100k to support our cash-flow, the CCLA investment fund value reduced to £1,478.7k.

The result for the year was a surplus of £36.1k and the charity's unrestricted reserves at the end of the financial year amounted to £1,052k, above the minimum level required by the reserves policy.

PLANS FOR FUTURE PERIODS

2022/23 starts with a strengthened position for the charity, with a new strategy and business plan agreed with the Board taking us into 2025. The new strategy will build on the charitable company's recent successes and ensure sustainability and growth for the future. The approach taken moves EDT away from a short-term focus to an Adaptive Strategy which renews the vitality and competitiveness of an organisation. It recognises the need for systemic change, strategic experimentation and organisational flexibility. A growth mindset is needed throughout this strategic change. For long-term growth and innovation, the charity needs to invest in new approaches to drive growth and move to an outward looking, growth-focused culture. Pilot programmes investigated include :

- An Industrial Cadet Pathway which will take students on a journey of discovery through multiple interventions, meeting employers and role models in an industry that excites them;
- A regional/nations approach across the UK, creating opportunities for young people with local industry and sectors, giving them hope for the future. For greatest impact, this approach is supported by content built on themes which are relevant to the industry or region;
- An 'Industrial Cadet Schools' pilot to enable schools to promote the fact they support students in STEM and employability;

- Experience Days in primary schools around key themes;
- Enabling access our Pathway courses for more young people on whether apprenticeship or university is right for them, offering bursaries, advice and support.

The strategy and business plan recognises the changing funding environment for all sectors with which the charitable company works, including the effect of the economic environment on companies, the on-going impact of changes in the education sector and the expansion of apprenticeships and T-levels. The broad approach is to focus on the young persons' continuing experience through Industrial Cadets Awards, with particular focus on disadvantaged young people who are most affected by the impacts of the pandemic. The strategy maintains that the student needs lie at the heart of our work, considering the different needs that they may have, dependent on socio-economic background. A stronger focus on account management for our key sponsors is particularly relevant in this period of economic decline, with increased work on digital presence to ensure funders feel their support is recognised within social media and thus their brand is better recognised for their commitment to young people.

The focus on further widening participation will remain with continued development of the charitable company's diversity activities such as bursaries where appropriate, creating bespoke content for Experience Days relevant to the local job prospects and explaining the variety of pathways to a career through Routes into STEM. Industrial Cadets provide the strength to pull the activities together, creating a journey for a young person, when they need many interactions to sustain confidence and belief in their skills and prospects.

EDT will move to a stable hybrid delivery model in 22/23, mixing virtual and face-to-face where it adds value. Virtual delivery will carry on as it allows us to reach more students with our limited funds. We will continue to use the Learning Management System in our hybrid model, whilst assessing additional features including a shop for further advancements to our service.

We will focus on our Fundraising activities and prioritisation, developing a strong strategy within a changing external environment. The plan will include growth in Trusts and Foundations, with a particular attention to skills for fundraising larger bids and with philanthropists.

Future plans within the schemes include the following:

Experiences

Industrial Cadets Challenger/Experience Days: Demand for these STEM days remains strong and the programme continues to grow rapidly with a greater emphasis on bespoke days applicable to specific industry and regional needs, e.g. Environmental Sustainability, Flight and Artificial Intelligence days. The scheme enables new links to schools with the opportunity to introduce the rest of Industrial Cadets journey of activities for those progressing and interested in a STEM career. The virtual programme of activities will continue to develop and grow, alongside face-to-face for those who prefer us to deliver in school with
new content including Green canteen, Circular Economy and Astrophysics as well as our link to the Queen's Jubilee Pageant with a competition on environmental sustainability at celebratory events.

As employers drive to a "net zero" future, there is a focus on green jobs. It is anticipated that interest for Environmental Sustainability will keep growing from an employer and student perspective.

Routes into STEM has seen rapid expansion and we expect this to continue. Both companies and grant holders provide funding for an extended virtual course enabling young people to consider if an apprenticeship or university is right for them. Like in 21/22, the programme will run as both virtual and face-to-face in 22/23 and we plan to review running courses for older years and reach new locations, in response to an increased interest from both corporate funders and students. The Routes into STEM course leads to an Industrial Cadet Bronze Award.

Insight into University continues to broaden the range of courses on offer and to expand the number of universities with whom we work so that we can meet student demands. The university market place is a very changing environment but the reputation of Insight is still strong, with positive student feedback on our virtual courses through to Summer 2022. In 22/23, alongside our virtual course, we plan to run limited Residential Insight into University courses with universities where we have a close working relationship and know that the course is of high interest to students. We anticipate this to keep expanding over subsequent years. Our target for the next financial year is to offer more bursaries for students who need it, particularly for under-represented groups such as young women and ethnic minorities, including more emphasis to 'first in family to experience higher in education'. This Insight into University course leads to an Industrial Cadet Silver Award.

Projects

Industrial Cadets Bronze Projects will continue to centre on the environmental and sustainability theme as an area of greatest interest for young people, alongside Circular Economy, Digital, Built Environment and Health. The Industrial Cadet Bronze Project is intended as an extra-curricular enrichment activity just before students make their GCSE option choices. It is important for young people who have had such limited opportunity to work on an extra-curricular activity in a team environment. The project is run in a hybrid model, with a Graduation ceremony on completion for students, an area they felt lacking in a purely virtual world, where they can celebrate and review other students' outcomes.

Industrial Cadets Gold Projects income will stabilise in 22/23 as the Covid impact starts to settle, counter-balanced by the cost of living burden on local funders for a high cost programme. Recognition for the scheme's impact and quality remains and the programme will likely become of even greater value to students, as they face tougher competition for entrant roles and want activities that differentiate them and show their commitment. Likewise, the scheme offers enhanced opportunities for companies to engage with and even filter students with a view to recruitment of apprentices and pre-university students. It is a hybrid model: the virtual introduction is followed by face-to-face University workshops and graduation ceremonies, which adds most value.

Placements

The number of students registering continues to exceed the number of placements available and we will explore opportunities to support students who are unsuccessful in securing a placement. Students can be accredited at Industrial Cadet Platinum level or Platinum Leader in recognition of additional outreach activities. Masterclasses will remain virtual, as students have fed back that this is a better medium with their pressure of workload and travel, and has been given excellent feedback.

Industrial Cadets

We expect significant growth to continue in 2022/23. Students appreciate the value of the Award to differentiate themselves from their peers and employers value being part of an outreach journey for young people towards employment. With such growth, we have celebrated 100,000 Industrial Cadets to date, an amazing achievement, and we have ambition to reach the 250,000 milestone by 2024 on our way to 1 million.

We will also measure schools' interest in Industrial Cadet by piloting 'Industrial Cadets Schools' in 2023 by offering a suite of accredited programmes and enabling schools to celebrate their work in STEM and on employability.

The focus for 2022/23 is to build further on the momentum of Industrial Cadets nationally as well as regionally, with investment in the Cadet programme to promote growth. Following the move to on-line content, employers are finding additional value in Industrial Cadets to celebrate achievement, previously done face-to-face in celebrations and graduations. We anticipate this will broaden engagement with new sponsors and income.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees' report

The Trustees, who are also directors of the company for the purpose of company law, present their report and the audited financial statements for the year ended 31 August 2022.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, The Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their financial statements in accordance with the the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The Trustees' report should be read in conjunction with the Strategic Report on pages 1 to 13.

Administrative information

The company number is 08879288. The registered charity numbers are 1156066 for England and Wales and SC039635 for Scotland. The registered address is Weltech Centre, Ridgeway, Welwyn Garden City, AL7 2AA.

The Trustees who served during the year and since the year are:

- Elena Rodriguez-Falcon, Chair of Trustees
- Philip Pickering, Treasurer, retired on 20/10/2022
- Peter Chivers
- Georgina Harris
- Gareth Hedicker, resigned on 20/10/2022
- Howard Mathers
- Katie Mawdsley (EDT alumna)
- Chris Miller, retired on 05/05/2022

- Alison Moore, resigned on 31/08/2022
- Mary Pooley
- Paul Senior (EDT alumnus)
- Laura Steedman (EDT alumna)
- Michelle Watiki (EDT alumna)
- Jon Bolton, joined on 04/10/2021, Treasurer from 01/10/2022

Day-to-day management of the charity is delegated to the Senior Management Team (SMT), who are:

- Julie Feest, Chief Executive Officer
- Gennie Dearman, Chief Operating Officer, left on 31/01/2022
- Henry Foxhall, Operations Director, joined on 01/04/2022
- Ciara Duffy, Scotland Director
- Florence Morgan, Finance Director
- Penny Tysoe, Communications and Funding Director

The Board of Trustees and SMT are supported by the following professional advisers:

- Bankers: CAF Bank Ltd, 25 Kings Hill, West Malling, ME19 4JQ
- Investment Managers: CCLA Investment Ltd, 1 Angel Lane, London, EC4R 3AB
- Auditor: Abraham & Dobell, 230 Shirley Road, Southampton, SO15 3HR
- Solicitors: Blake Morgan LLP, Tollgate, Chandlers Ford, SO53 3LG
- Pension advisors: Spence & Partners Limited, The Culzean Building, 36 Renfield Street, Glasgow, G2 1LU

Governing document

The Engineering Development Trust was incorporated on 6 February 2014 as a company limited by guarantee, formed specifically to accept the transfer of the assets and entire business from the Engineering Development Trust, a registered charity, number 1002459, constituted 8 March 1991. The incorporation resulted in a new registered charitable company number being issued, number 1156066. The charitable company is also a registered charitable company in Scotland, number SC039635.

Organisational Structure

The charitable company is run by a Board of Trustees, which sets and monitors strategy and policies. The trustees delegate authority to deliver the strategy to the Chief Executive and staff. Regular board meetings receive reports on all the principal activities of the charitable company from the Chief Executive, Chief Operating Officer and other members of the Senior Management Team.

The trustees have established standing committees, each with its own terms of reference for governance, audit and risk, remuneration and trustee nominations.

The charitable company aims to give people ownership of the job, delegate decisions to an appropriate level and encourage staff to exercise personal initiative to achieve results on behalf of the charitable company. Considerable delegation of authority is therefore made to the Chief Executive and through the Chief Executive to the scheme's functional and regional staff, who ensure those activities meet the needs of the intended beneficiaries.

The Engineering Development Trust has, amongst others, informal working relationships with the IET, Engineering UK and Make UK, whose educational objectives are complementary to those of the charitable company.

Recruitment and Appointment of Trustees

The trustees regularly consider the mix of skills and experience needed to run the charitable company effectively and seek to recruit trustees to fill any vacancies. A Nominations Committee has been established to oversee the trustee recruitment process. Trustees are elected in accordance with the Memorandum and Articles of Association by members of the charitable company. At the Balance Sheet date there were 13 trustees (members), all of whom have limited liability of £1.

The Nominations Committee seeks a balance of representation from key stakeholder groups. It also seeks trustees who support the aims of the charitable company and are willing to make a contribution to its activities and, in addition, are sufficiently experienced to provide for effective governance.

Trustee Induction and Training

New trustees are given an induction pack and meet with the Chair, Treasurer and Chief Executive to familiarise them with:

- the obligations of the trustees;
- the operational framework for the charitable company;
- strategy and future plans;
- resourcing and the current financial position; and
- the various activities of the charitable company.

Risk Management

The assessment and management of risk is built into the day-to-day management of the activities of the charitable company and, in particular, through mechanisms to ensure the long-term sustainability of its programmes.
A risk register has been developed which is used to identify the main risks, their potential impact, likelihood and actions to mitigate them. The Audit and Risk Committee reviews and agrees these at least four times a year and the trustees receive reports by exception.

The charitable company's income is directly linked to the level of activity and is raised on a year-on-year basis. The level of participation by employers, educators and young people is significantly influenced by factors outside of the charitable company's control - the economic outlook or government education policy for example. The reserves policy reflects and addresses the main risks identified by the risk register.

Related Parties

None of the trustees receive remuneration or other benefits from their work with the charitable company. Trustees are required to provide details of other organisations in which they are employed or are linked with in another significant capacity and to report any contractual relationship with a related party. In the current year no such related party transactions were reported.

Key Management and Personnel Remuneration

The trustees consider themselves and the senior management team as the key management personnel of the charitable company in charge of directing, controlling, running and operating the Trust on a day-to-day basis. All trustees give of their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in notes 9 and 21 to the accounts.

The pay of the senior staff is reviewed annually against benchmarking data from the charity sector and from the wider economy with additional adjustments being applied as required to support the recruitment and retention needs of the charitable company.

Reserves Policy

The trustees have reviewed the major risks faced by the charitable company to determine the level of reserves necessary to meet their commitments to young people, employers, educators and other stakeholders. This value of reserves is then expressed within a range and is subject to an annual review which includes the requirement to establish an action plan, should reserves fall outside of the range agreed.

The major risks identified and other elements considered included within the reserves policy are:

- Working capital requirements.
- Liability for increased employer contributions arising from membership of two multi-employer defined benefit pension schemes by reference to the period of deficit recovery plans agreed between the respective pension scheme trustees and the pensions regulator.
- Unexpected deficit situation caused by a loss of major funding streams and/or a strategic decision to close or significantly change or close an EDT scheme.
- Risks associated with major projects, in particular where these fall across multiple years.
- Depreciation reserve equivalent to the net value of assets purchased from grants.
- New Projects Fund as required from time to time in line with the business strategy.

Investment Policy

Unrestricted reserves not required to meet the short-term needs are invested with the aim of mitigating the impact of inflation on the value of those reserves and to generate annual income to support the work of the charitable company. The trustees review the investment strategy on a regular basis, receiving quarterly reports from the fund management company managing the investments.

The company is CCLA, which specialises in managing investments for charities and the funds are currently invested in COIF Charitable Funds. The Audit and Risk Committee meets with the fund managers on an annual basis to review the performance of the portfolio in relation to the trustees' investment strategy. The Audit and Risk Committee makes proposals to the trustees, taking account of advice received, to implement changes to investments in line with the investment strategy.

Our charitable aims

The objectives of the charity are the advancement of education for the public benefit including (without limitation) by the promotion of the study of science, technology, engineering and mathematics amongst young people and the furtherance of any other charitable activities for the advancement of education as the Directors think fit.

The Engineering Development Trust achieves public benefit by focusing on its mission, which is to help talented young people achieve their full potential, in particular, through careers in STEM (science, technology, engineering and maths). The trustees confirm they have complied with their duty in the Charities Act 2011 to have due regard to Public Benefit and have followed guidance published by The Charity Commission.

The activities undertaken by the charitable company are all aimed at encouraging more young people to take up careers in STEM. The charitable company aims to make their programmes and schemes accessible to all through the provision of bursaries.

This results in public benefit in several ways, including:

- to the young people who obtain experience and skills development, thereby enabling them to make more informed choices at key moments in their education in relation to potential careers and to study subjects offering real long-term sustainable opportunity and value creation;
- by aiming to widen access to key professions, enhancing diversity and 'first in family' into higher education, thereby enabling both fairer access and a wider talent pool for the economy;
- to the UK economy through the input to society of the new generation of scientists and engineers;
- to the parents and educators who benefit from seeing their children and students undertaking activities and experiences which complement the learning and advice obtained at home and school.

RESPONSIBILITIES OF THE TRUSTEES

The charitable company's trustees (who are also directors of The Engineering Development Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare Financial Statements for each financial year. Under company law, the trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources (including the income and expenditure) of the charitable company for that year. In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose, with reasonable accuracy at any time, the financial position of the charitable company and to enable them to ensure that the Financial Statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland)

Regulations 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.

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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 the Financial Statements may differ from legislation in other jurisdictions.

In preparing this report, the trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

AUDITORS

Abraham and Dobell were re-appointed as auditors during the year and they have indicated their willingness to continue in that capacity.

Approved by the Board of Trustees on 27th April 2023 and signed on its behalf by:



.....

Professor Elena Rodriguez-Falcon, CHAIR OF TRUSTEES

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS for the Year ended 31 August 2022

OPINION

We have audited the Financial Statements of The Engineering Development Trust (Limited by Guarantee) (the charitable company) for the year ended 31 August 2022, which comprise 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

BASIS OF OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

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

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

We have nothing to report in this regard.

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' Annual Report, incorporating the Directors' Report, for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Directors' Report 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 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' and directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the Financial Statements in accordance with the Small Companies' Regime and take advantage of the Small Companies' Exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Responsibilities of the Trustees' 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 charitable company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' REPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under these Acts.

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 is available on the Financial Reporting Council's website at www.frc.org.uk/auditors/audit-assurance-ethics/auditors-responsibilities-for-the-audit. This description forms part of our Auditor's Report.

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

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 and to the charitable company's trustees as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report or for the opinions we have formed.

D J MANT

SENIOR STATUTORY AUDITOR

230 Shirley Road
Southampton
SO15 3HR

For and on behalf of Abraham & Dobell,

27th April 2023

Chartered Accountants, Statutory Auditor

Statement of Financial Activities (incorporating Income and Expenditure account) for the Year ended 31 August 2022

	Notes	Unrestricted Funds £'000	2022 Total Funds £'000	Restated 2021 Total Funds £'000
INCOME				
Donations and legacies	2	649.7	649.7	415.5
Charitable activities	3	1,295.8	1,295.8	1,137.5
Investments	4	41.9	41.9	56.4
Other income	9	0.0	0.0	88.0
TOTAL INCOME		1,987.4	1,987.4	1,697.4
EXPENDITURE				
Cost of raising funds	5	207.5	207.5	282.3
Charitable activities	6	1,703.6	1,703.6	1,775.4
TOTAL EXPENDITURE		1,911.1	1,911.1	2,057.7
Net (losses)/gains on investments	11	(40.2)	(40.2)	230.0
NET (EXPENDITURE)/INCOME AND NET MOVEMENT IN FUNDS		36.1	36.1	(130.3)
RECONCILIATION OF FUNDS				
Total funds brought forward		1,015.9	1,015.9	1,146.2
Total funds carried forward		£1,052.0	£1,052.0	£1,015.9

The notes on pages 32 to 47 form part of these Financial Statements.

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

All income and expenditure derive from continuing activities.

Statement of Financial Position for the Year ended 31 August 2022

	Notes	2022		2021 Restated	
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible fixed assets	10		4.9		14.1
Investments	11		1,478.7		1,621.2
TOTAL FIXED ASSETS			1,483.6		1,635.3
CURRENT ASSETS					
Debtors	12	260.8		364.0	
Cash at bank and in hand		169.1		74.9	
TOTAL CURRENT ASSETS		429.9		438.9	
LIABILITIES					
Creditors: Amounts falling due within one year	13	687.7		842.7	
NET CURRENT ASSETS/ TOTAL ASSETS LESS CURRENT LIABILITIES			(257.8)		(403.8)
Provisions	15		(173.8)		(215.6)
TOTAL NET ASSETS	19		£1,052.0		£1,015.9
THE FUNDS OF THE CHARITABLE COMPANY					
Unrestricted income funds			£1,052.0		£1,015.9
TOTAL CHARITABLE COMPANY FUNDS	20		£1,052.0		£1,015.9

The trustees have prepared the Financial Statements in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual Financial Statements required by the Companies Act 2006 and are for circulation to members of the charitable company.

Approved by the Board of Trustees on 27th April 2023 and signed on its behalf by:



Professor Elena Rodriguez-Falcon, CHAIR OF TRUSTEES

The notes on pages 32 to 47 form part of these Financial Statements. Company Registration Number 08879288

Statement of Cash-flows for the Year ended 31 August 2022

	Notes	2022 £'000	Restated 2021 £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash (used in) operating activities	27	(47.6)	(405.8)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends from investments		44.2	48.2
Interest from investments		-	-
Proceeds from sale of investments		100.0	200.0
Purchase of property, plant and equipment		(2.4)	(0.9)
NET CASH PROVIDED BY INVESTING ACTIVITIES		141.8	247.3
Change in cash and cash equivalents in the year		94.2	(158.5)
Cash and cash equivalents at the beginning of the year		74.9	233.4
Cash and cash equivalents at the end of the year	28	£169.1	£74.9

Notes to the Financial Statements for the year ended 31 August 2022

1. ACCOUNTING POLICIES

Charity Information

The Engineering Development Trust is a charitable company established under its Memorandum and Articles of Association and is registered with the Charity Commission and Companies House in England and Wales and the Office of the Scottish Charity Regulator in Scotland. The principal address is Weltech Centre, Ridgeway, Welwyn Garden City, AL7 2AA. The charitable company is a public benefit entity.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

(a) Basis of Preparation

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The Engineering Development Trust meets the definition of a public benefit company under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The Financial Statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest £000.

(b) Preparation of the Financial Statements on a Going Concern Basis

The trustees have prepared the Financial Statements on a going concern basis.

(c) Income

All income is included in the Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are received by way of donations and gifts and are included in full in the Statement of Financial Activities when receivable.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charitable company, are recognised when the charitable company becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charitable company where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.
- Investment income is included when receivable
- Income from charitable activities and grants which are related to performance and specific deliverables are accounted for as the charitable company earns the right to consideration by its performance.

1. ACCOUNTING POLICIES (continued)

(d) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure excludes VAT as the charitable company is VAT registered.

Expenditure on charitable activities comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and their associated support costs.

Support costs are those functions that assist the work of the charitable company but do not directly undertake the charitable activities. These costs have been allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource and are apportioned on an appropriate basis, e.g. floor areas, per capita or estimated usage.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the audit fees and costs linked to the strategic management of the charitable company.

(e) Tangible Fixed Assets

Tangible assets are measured at cost less accumulated depreciation and any accumulated impairment losses.
Fixed assets costing more than £100 are capitalised at cost.
Depreciation is provided at the following annual rates in order to write-off each asset over its estimated useful economic life:

Computer equipment	33.33%	per annum on cost
Office equipment	33.33%	per annum on cost
Software and website	33.33%	per annum on cost

(f) Investments

Investments are held as fixed assets and are included on the Balance Sheet at market value. Changes in the market value of investments between financial years are recognised in the Statement of Financial Activities as gains and losses.
Gains and losses made on the sale of investment in the year are shown on the Statement of Financial Activities.
Interest on cash deposited with banks and investment management companies is included in investment income in the Statement of Financial Activities.

(g) Debtors

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

(h) Cash at Bank and in Hand

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

1.ACCOUNTING POLICIES (continued)

(i) Creditors and Provisions

Creditors and provisions are recognised where the charitable company 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.

(j) Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

(k) Pension Costs

The charitable company has three pension schemes for staff, which are the University's Superannuation Scheme (USS), the University of Southampton's Pension and Assurance Scheme for non-academic staff (PASNAS) and Scottish Widows Pension Scheme.

The USS is a multi-employer scheme for which it is not possible to identify the assets and liabilities due to the mutual nature of the scheme and, therefore, this scheme is accounted for as a defined contribution retirement benefit scheme. A liability is recorded within provisions for any contractual commitment to fund past deficits within the USS scheme.

PASNAS is a defined benefit scheme for which it is not possible to identify assets and liabilities due to the mutual nature of the scheme and, therefore, this scheme is accounted for as a defined contributions retirement benefit scheme.

Defined Benefit Schemes

Defined benefit schemes are post-employment benefit schemes other than defined contribution schemes. Under defined benefit schemes, the charitable company's obligation is to provide the agreed benefits to current and former employees. Because of the mutual nature of the schemes, a scheme-wide contribution rate is set.

The charitable company is exposed to actuarial risk and investment risk associated with other institutions' employees. The charitable company recognises a liability for its obligations under defined benefit schemes as a provision in the Accounts.

The provision for net defined benefit liability arising from contractual obligations to fund past deficits is accounting for on a discounted present value basis.

Defined Contribution Schemes

A defined contribution scheme is a post-employment benefit scheme under which the charitable company pays fixed contributions into the scheme and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension schemes are expensed in the year during which services are rendered by employees.

1.ACCOUNTING POLICIES (continued)

Scottish Widows is a defined contribution scheme and is accounted for on that basis.

Prior Year Adjustment
The accounting policy up to 31 August 2021 has been to treat all three pension schemes as defined contribution schemes and account for them on that basis.

The policy was changed for the year to 31 August 2022 for the USS pension scheme to recognise deficit recovery contractual obligations as a provision in the Accounts.

Therefore, the 31 August 2021 Accounts have been restated to reflect the impact the changed accounting policy has had on the comparative figures.

Further information on pensions is provided in note 26.

(l) Taxation
The charitable company is exempt from Corporation Tax on its charitable activities.

(m) Fund Accounting
Unrestricted funds consist of the general purposes fund and designated funds.
Designated funds are funds established by the trustees from time to time for specific projects or purposes. They are not in any way restricted and any surplus or deficit will be transferred to/from the general purposes fund when the designated fund is closed.
Restricted Funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.

(n) Financial Instruments
The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(o) Significant Judgements and Estimates
Preparation of the Financial Statements may require management to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

2. DONATIONS AND LEGACIES	Unrestricted £'000	2022 Total £'000	2021 Total £'000
Donations	£649.7	£649.7	£415.5

The donations and legacies received were unrestricted for both years.
Our top five donors were the Platinum Jubilee Pageant Ltd, ARM, GFG Foundation, Avantor Foundation and Garfield Weston Foundation.

There were no donated services and facilities receivable which could be quantified in the year (2021 - £nil).

3. INCOME FROM CHARITABLE ACTIVITIES	Unrestricted £'000	2022 Total £'000	2021 Total £'000
Experiences	332.2	332.2	299.8
Projects	553.4	553.4	354.7
Placements	213.4	213.4	375.2
Industrial Cadets accreditations and development	196.8	196.8	107.8
	£1,295.8	£1,295.8	£1,137.5

The charitable company has received grants from local authorities and organisations linked to the government to provide various services and specific deliverables. There were no unfilled conditions and/or other contingencies attaching to the grants that have been recognised in income.

The grants and donations shown above relate to payments received during the charitable company's year to 31 August 2022 but adjusted for any deferments where the expenditure arising for that grant is being incurred in a subsequent year.

Our top five funders were GSK, Viridor, Leonardo, BP and Scottish Power.

The income received from charitable activities was unrestricted for both years.

4. INVESTMENT INCOME	Unrestricted £'000	2022 Total £'000	2021 Total £'000
Dividends	44.2	44.2	48.2
(Loss)/Profit on sale of investments	(2.3)	(2.3)	8.2
	£41.9	£41.9	£56.4

Investment income was unrestricted for both years.

5. COST OF RAISING FUNDS

	2022 Total £'000	Restated 2021 Total £'000
Fundraising and charity development	207.5	282.3
	£207.5	£282.3

The cost of raising funds includes staff costs, travel expenses and general running costs and a portion of support and governance costs, £34.7k and £13.4k respectively (2021 - £33.8k and £13.4k).
The expenditure on raising funds was unrestricted for both years.

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Staff costs £'000	Travel £'000	Recruitment £'000	Tutors Supervisors £'000	Events Courses Workshops £'000
Experience Days	359.0	11.6	0.0	0.0	36.8
Projects	430.9	11.9	0.0	0.0	53.1
Year In Industry	212.3	1.2	0.0	0.0	0.7
Industrial Cadets	135.5	5.1	0.0	0.0	0.6
2022 Total	**£1,137.7**	**£29.8**	**£0.0**	**£0.0**	**£91.2**
2021 Total - Restated	**£1,198.9**	**£0.9**	**£4.9**	**£0.0**	**£4.8**

	Running costs £'000	Support functions £'000	Governance costs £'000	Total expenditure £'000
Experience Days	39.5	80.1	13.4	**540.4**
Projects	51.8	107.3	13.3	**668.3**
Year In Industry	18.9	32.9	13.4	**279.4**
Industrial Cadets	16.0	45.0	13.3	**215.5**
2022 Total	**£126.2**	**£265.3**	**£53.4**	**£1,703.6**
2021 Total - Restated	**£75.6**	**£436.3**	**£54.0**	**£1,775.4**

The expenditure on charitable activities was unrestricted for both years.

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The charitable company identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the main charitable activities undertaken in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

	General Support £'000	Governance £'000	Total Funds £'000	Basis of Apportionment
Staff costs	199.0	51.5	250.5	Time/Usage
Travel	5.1	3.7	8.8	Usage
Recruitment	0.0	0.0	0.0	Usage
Running costs	(21.3)	1.5	(19.8)	Usage
Marketing/Publicity	2.3	0.0	2.3	Usage
Depreciation	11.6	0.0	11.6	Usage
ICT	101.3	0.0	101.3	Usage
Professional fees	2.0	2.6	4.6	Usage
Audit fees	0.0	7.5	7.5	Governance
	£300.0	£66.8	£366.8	
Cost of fundraising	34.7	13.4	48.1	
Expenditure on charitable activities	265.3	53.4	318.7	
	£300.0	£66.8	£366.8	

8. NET INCOME FOR THE YEAR

This is stated after charging:	2022 £'000	2021 £'000
Operating leases	53.5	51.9
Depreciation	11.6	43.0
Professional fees	4.6	9.6
Audit fees	7.5	7.5

9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2022 £'000	Restated 2021 £'000
STAFF COSTS		
Gross salaries and wages	1,293.8	1,322.5
Social Security costs	120.3	107.5
Pension costs	159.1	176.4
Net release of provision for redundancies	0.0	(27.7)
Pension provision for USS (note 26)	(41.8)	215.6
	£1,531.4	£1,794.3

	2022 £'000	2021 £'000
OTHER INCOME		
Coronavirus Job Retention Scheme grants	£0.0	£88.0

As a result of the COVID 19 pandemic, grant claims were made under the Coronavirus Job Retention scheme to cover staff who were furloughed in the year. The grants received are included in Other Income.

The average number of employees during the year was:	44	47
Equivalent full-time	42	42
The number of higher paid employees over £60,000 was	1	2
In the band £100,000-£110,000	1	0
£90,000-£100,000	0	1
£80,000-£90,000	0	0
£70,000-£80,000	0	1
£60,000-£70,000	0	0

The employee benefits of the higher paid employees total £9.5k (2021 - £24.0k).

No trustees received any remuneration during the year (2021 - £nil).
Trustees may claim for reimbursement of expenses incurred whilst discharging their roles as trustees. During the year, 7 trustees received reimbursement for travel expenses for a total of £1.4k (2021 - £1.6k).

Notes to the Financial Statements for the year ended 31 August 2022

10. TANGIBLE FIXED ASSETS

	Software & Website £'000	Computer Equipment £'000	Office Equipment £'000	Total £'000
Cost				
At 31 August 2021	300.5	142.4	18.7	461.6
Additions	-	1.3	1.1	2.4
Disposals	-	-	-	-
As at 31 August 2022	300.5	143.7	19.8	464.0
Depreciation				
At 31 August 2021	293.4	139.7	14.4	447.5
Additions	5.7	2.4	3.5	11.6
Disposals	-	-	-	-
As at 31 August 2022	299.1	142.1	17.9	459.1
Net Book Values				
As at 31 August 2022	£1.4	£1.6	£1.9	£4.9
As at 31 August 2021	£7.1	£2.7	£4.3	£14.1

11. INVESTMENTS

	2022 £'000	2021 £'000
Market Value		
CCLA Charities Common Investment Fund	1,292.6	1,457.1
CCLA Charities Property Fund	186.1	164.1
Market Value at the end of the financial year	£1,478.7	£1,621.2
Reconciliation of Movement in Market Value of Investments		
Market value at the start of the financial year	1,621.2	1,583.0
Sale of investment at Market Value (September 2021)	(100.0)	(200.0)
Loss on sale of investment (September 2021)	(2.3)	8.2
Net (loss)/gain on revaluation of investments at the end of the financial year	(40.2)	230.0
Market Value at the end of the financial year	£1,478.7	£1,621.2

	2022 £'000	2021 £'000
Cost		
CCLA Charities Common Investment Fund	847.2	911.2
CCLA Charities Property Fund	134.5	134.5
Cost at the end of the financial year	£981.7	£1,045.7

12. DEBTORS

	2022 £'000	2021 £'000
Trade debtors	211.5	245.0
Other debtors and prepayments	49.3	119.0
	£260.8	£364.0

13. CREDITORS: Amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	262.6	231.6
VAT	31.9	37.1
Taxation and Social Security	22.2	17.1
Pension scheme contributions	8.9	6.9
Deferred income (note 14)	311.1	361.8
Accruals	51.0	188.2
	£687.7	£842.7

14. MOVEMENTS IN DEFERRED INCOME

	2022 £'000	2021 £'000
Deferred income at 1 September 2021	361.8	293.7
Deferred income released during the year	(361.8)	(293.7)
Income received during the year and deferred	311.1	361.8
Deferred income at 31 August 2022	£311.1	£361.8

15. PROVISIONS

	2022 £'000	Restated 2021 £'000
Provision at 1 September 2021	£215.6	£0.0
Provision to reflect deficit recovery agreement - USS	0.0	215.6
Discount rate adjustment	(27.8)	0.0
Deficit contributions paid in the year - USS	(14.0)	0.0
Provision at 31 August 2022	£173.8	£215.6

16. FINANCIAL INSTRUMENTS

	2022 £'000	2021 £'000
Financial instruments measured at amortised cost comprise the following:		
Financial assets that are debt instruments (Trade Debtors)	211.5	245.0
Financial liabilities that are debt instruments (Creditors)	313.6	419.8

17. OPERATING LEASES

The charitable company is committed to payments after the year ended 31 August 2022 under non-cancellable operating leases which expire as follows:

	2022 £'000	2021 £'000
Premises - Licences to occupy expiring between one and five years	20.7	37.3
Office equipment - expiring between one and five years	2.4	1.3
	£23.1	£38.6

18. RECONCILIATION OF RESTATED FUNDS

	2021 £'000
Net income/(expenditure) as per original accounts 31 August 2021	85.3
Prior Year adjustment - pension provision USS (note 26)	(215.6)
Restated net income/(expenditure)	£(130.3)
Total funds as per original accounts 31 August 2021	£1,146.2
Restated total funds 31 August 2021	£1,015.9

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2022 General Funds £'000	2022 Total Funds £'000	Restated 2021 Total Funds £'000
Tangible fixed assets	4.9	4.9	14.1
Investments	1,478.7	1,478.7	1,621.2
Current assets	429.9	429.9	438.9
Current liabilities	(687.7)	(687.7)	(842.7)
Provisions	(173.8)	(173.8)	(215.6)
Total Funds	£1,052.0	£1,052.0	£1,015.9

20. ANALYSIS OF CHARITABLE FUNDS

	Restated At 01.09.21 £'000	Incoming resources £'000	Outgoing resources £'000	At 31.08.22 £'000
Analysis of Movements in Unrestricted Funds				
General Funds	1,015.9	1,987.4	1,951.3	1,052.0
Total Unrestricted Funds/Total Funds	£1,015.9	£1,987.4	£1,951.3	£1,052.0

20. ANALYSIS OF CHARITABLE FUNDS (continued)

Unrestricted Funds

Unrestricted Funds comprise those funds which trustees are free to use in accordance with the charitable objects. The charitable company only has unrestricted funds.

21. CAPITAL COMMITMENTS

Capital commitments at 31 August 2022 amount to £nil (2021 - £nil).

22. CONTINGENT LIABILITIES AND POST BALANCE SHEET EVENTS

The charitable company had no contingent liabilities as at 31 August 2022 (2021 - £nil).

There are no post balance sheet events as at 31 August 2022 (2021 - none).

23. RELATED PARTY TRANSACTIONS

A number of trustees are directors of, or are associated with, organisations that provide funding to the charitable company or participate in our schemes/programmes.

There were no related party transactions arising in the year to 31 August 2022 (2021 - none).

24. TAXATION

As a registered charity, the charitable company's income is generally exempt from Corporation Tax under Section 478 of the Corporation Taxes Act 2010 by reason of its charitable objects and activities.

25. LEGAL STATUS OF THE CHARITABLE COMPANY

The charitable company is a private company limited by guarantee and has no share capital. The liability of each trustee, in the event of winding-up, is limited to £1.

26. PENSION COSTS

The charitable company participates in three pension schemes: the Universities' Superannuation Scheme (USS), the University of Southampton Pension and Assurance Scheme for Non-Academic Staff (PASNAS), and a group personal pension scheme with Scottish Widows.

Two of these (USS and PASNAS) are defined benefit schemes and employer's contributions are affected by a surplus or deficit in each scheme. For these defined benefit schemes the charitable company is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis as actuarial valuations by employer are not routinely provided. The assets of each scheme are held by the respective scheme trustees in separate pension scheme trustee-administered funds: 'Universities' Superannuation Scheme Limited' and

26. PENSION COSTS (continued)

'Trustees of the University of Southampton Pension and Assurance Scheme'. The Engineering Development Trust has no representation on either of these externally administered schemes.

The PASNAS closed to new members on 31 December 2018.

A group personal pension scheme with Scottish Widows was set up in August 2017. This is a defined contribution scheme meeting the requirements of the auto-enrolment legislation for new employees not eligible for membership of the USS pension scheme.

The total pension cost for the charitable company was £159.1K for the year (2021 - £176.4K).

The trustees of The Engineering Development Trust consider and review updates and information received from the trustees of each pension scheme.

USS

FRS102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS102. The directors are satisfied that the USS meets the definition of a multi-employer scheme and, in line with the change of accounting policy, contractual contributions under the recovery plan in existence at the date of approving these financial statements have been recognised at 31st August 2021 and 31 August 2022 at a discounted fair value.

The next triennial actuarial valuation is in March 2023. The scheme deficit was valued at £2.1bn as at 31 March 2022, a significant reduction since the estimated £5.6bn shortfall as at 31 March 2021. Following the 2020 valuation, the USS Trustees are working towards an 18-year recovery plan ending in April 2038.

EDT is committed to paying annual deficit recovery contributions equivalent to 6.2% until 31 March 2024 and then 6.3% until 30 April 2038. The present value of these future contributions was calculated as £173.8k at the Balance Sheet date and was provided for. The equivalent provision for the previous financial year was £215.6k and the 2021 accounts were restated accordingly. In calculating this provision, future staff levels within the USS were estimated for the duration of the contractual obligation and the following assumptions were used:

	2022	2021
Discount rate (BoE forward rate)	3.7%	1.49%
Average annual pensionable salary growth	3%	3%

The deficit recovery contributions paid in the year amounted to £14k.

The contribution rate payable by the charitable company changed during the year: it increased from 21.1% to

26. PENSION COSTS (continued)

21.4% in October 2021 then to 21.6% of pensionable salaries in April 2022 and remained at that level at the Balance Sheet date. The contribution rates include the deficit recovery contribution. Throughout the period, employees' contribution was 9.8%. At 31 August 2022, out of a total active membership in USS of 212,306 (as per USS March 2022 report), the charitable company had 5 active members participating.

PASNAS

The triennial valuation for PASNAS as at 31 July 2021 revealed a deficit of £56.5m, corresponding to a funding level of 83%. The updated position, as at 31 July 2022, indicated a surplus of £7.8m (103% funding ratio), the improvement being driven by a £30m contribution to the scheme by the Southampton University. Following the 2021 valuation, the university continues to pay deficit contribution. The PASNAS Trustees currently aim at clearing the deficit by 31 March 2028.

EDT has not entered into a formal agreement to make payments in relation to future contributions to cover any deficit relating to past service of the members of the schemes. As such, it is unable to recognise the present value of future contributions as they are not known at the balance sheet date. It may change in future accounting periods.

The contribution rate payable by the charitable company at the Balance Sheet date was 18.95% of pensionable salaries (7.2% for employees). As at 31 August 2022, the charitable company had 9 active members participating, out of 1,250 active members in PASNAS (31st July 2021).

27. RECONCILIATION OF NET INCOME/ EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

		2022 £'000	Restated 2021 £'000
Net (expenditure)/ income for the year (as per the Statement of Financial Activities)		36.1	(130.3)
Adjustments for:	Depreciation charges	11.6	43.0
	Loss on disposal of asset	0.0	0.0
	Loss/(gain) on investments	40.2	(230.0)
	Dividends from investments	(44.2)	(48.2)
	Loss/(gain) from sale of investments	2.3	(8.2)
	Decrease/(Increase) in debtors	103.2	(93.3)
	(Decrease) in creditors	(196.8)	61.2
Net cash (used in) operating activities		£(47.6)	£(405.8)

28. ANALYSIS OF CASH AND CASH EQUIVALENTS	2022 £'000	2021 £'000
Cash at bank and in hand	169.1	74.9
Total cash and cash equivalents	£169.1	£74.9

THANK YOU!

You help us give young people the tools they need to build bright STEM futures.

arm · ARUP · ADS · avantor foundation · bp · BAE SYSTEMS

Cadent Foundation · Garfield Weston Foundation · GFG Foundation · gsk · JCB

LEONARDO · Mott MacDonald · NetworkRail · Her Majesty The Queen's Platinum Jubilee Pageant 1952 - 2022 · Rolls Royce

UKRI Science and Technology Facilities Council · SCOTTISHPOWER · SCOTTISHPOWER Foundation · Sea green Wind Energy

sse For a better world of energy · UK SPACE AGENCY · United Way · Viridor

Address:

Engineering Development Trust (EDT), Weltech Centre, Ridgeway, Welwyn Garden City, Hertfordshire AL7 2AA

EDT (Engineering Development Trust) is a registered charity in England and Wales (1156066) and in Scotland (SC039635) and is a company limited by guarantee (number 8879288).



Follow us on social media

Email: info@etrust.org.uk

Industrial Cadets

THE ENGINEERING DEVELOPMENT TRUST

England & Wales - Charity number 1156066

Accounts



EDT Industrial Cadets

THE ENGINEERING DEVELOPMENT TRUST

Annual report & Financial Statements for the Year ended 31 August 2021

Connecting young people with industry and inspiring STEM futures

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WELCOME

Encouraging young people to pursue their passions and achieve.



Chief Executive Officer

Julie Feest

EDT has been through substantial change this past year, however we continue to be a forward-thinking inclusive charity enabling young people to have their best chance in life. This year has been a pivotal time for young people, whose futures are still under threat from the effects of the pandemic, but who equally have access to exciting potential careers in growth industries such as Environmental Sustainability, Health, Cyber and AI. EDT has responded flexibly to their needs with a hybrid model of virtual and in-person engagement methods.

We would like to thank our students, teachers and funders, who continue to work closely with us to achieve our vision of a society where all young people have the tools they need to create their best future.

Our Vision

We are working towards a vision of a society where young people have equal access to engage with STEM subjects and achieve their potential in further study and careers.

Chair of the Board

Professor Elena Rodriguez-Falcon

It is truly a great honour to be joining EDT as the Chair of its Board of Trustees. EDT brings industry and educators together, helping young people to build the knowledge, skills and connections they need to thrive in STEM workplaces and build a better future for all of us. It's a mission that I wholeheartedly support. In particular, I look forward to working with stakeholders and loyal supporters of EDT to deliver on our purpose and maximise impact with the young people who need us most.

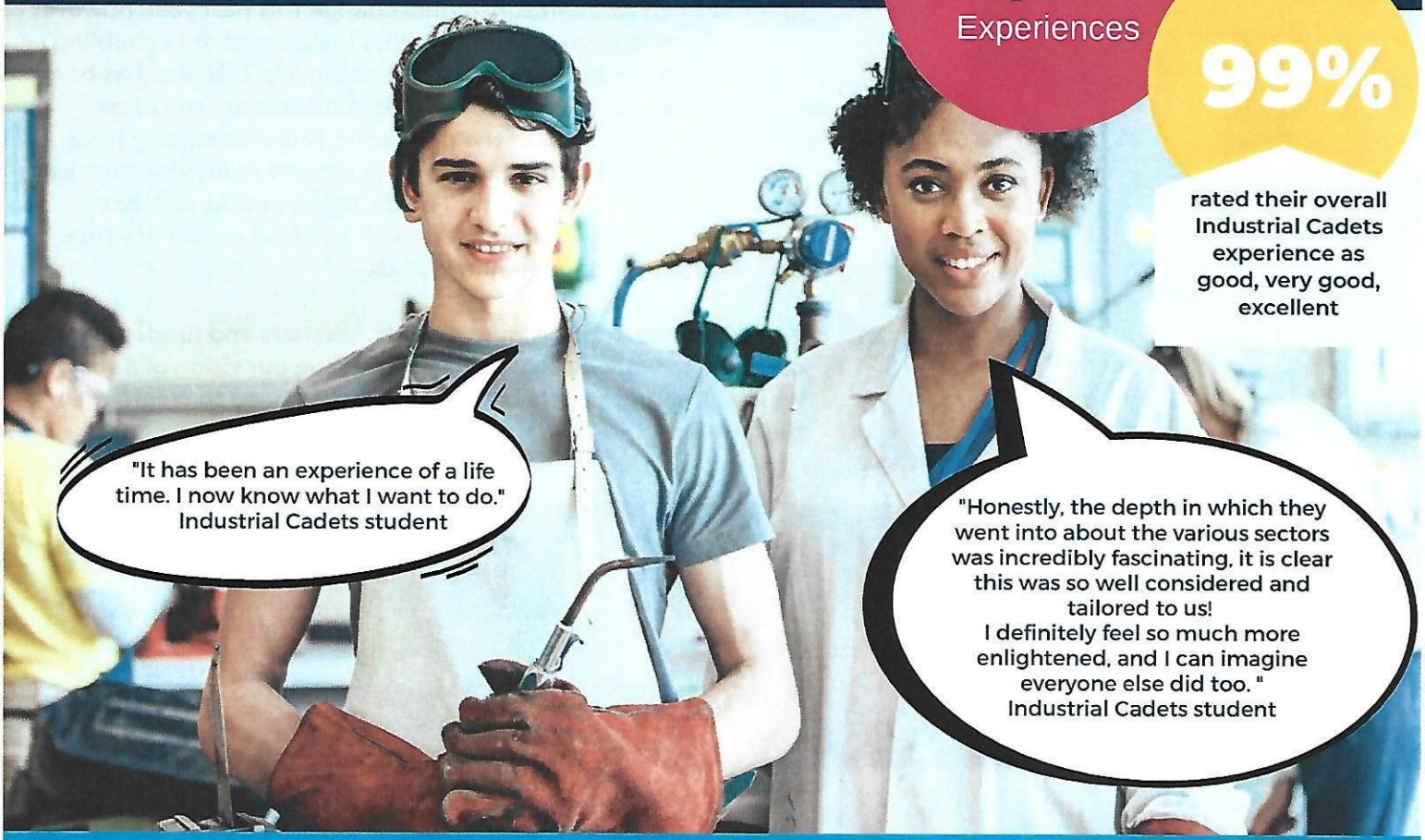


OUR IMPACT
INSPIRING YOUNG PEOPLE

In collaboration with employers and partners, we have delivered impact for young people and schools across the UK.

Over **50,000** Experiences

99% rated their overall Industrial Cadets experience as good, very good, excellent



"It has been an experience of a life time. I now know what I want to do."
Industrial Cadets student

"Honestly, the depth in which they went into about the various sectors was incredibly fascinating, it is clear this was so well considered and tailored to us!
I definitely feel so much more enlightened, and I can imagine everyone else did too."
Industrial Cadets student

98%

of students said their skills and knowledge improved as a result of their Industrial Cadets experience

Improving skills and knowledge

96%

of students said they know more about STEM career opportunities available to them as a result of their Industrial Cadets experience

Learning about STEM careers

88%

of students are likely to choose a future STEM career, related to their Industrial Cadets experience

Inspiring STEM career choices

OUR IMPACT
DIVERSITY & INCLUSION

Young people are at the heart of all we do. We value diversity and strive to offer equal access and inclusive opportunities for all young people.

Black, Asian and Minority Ethnic (BAME) representation in the UK is approximately 13%.

38%

of our students were BAME, increasing from 29% last year.



"Something that has been helpful for me is also the diversity of who we saw through this experience, it made me happy to see people who are like me being in STEM" Industrial Cadet Silver Student

"[My ambitions were] just to pass exams but I didn't really know what I wanted to do. [EDT] was THE deciding factor in my decision."
Industrial Cadet Alumna & Engineering Graduate

- ☑ Majority of Industrial Cadets Challenger students are from schools with above average Free Schools Meals*
- ☑ Reaching students living in disadvantaged areas
- ☑ Engaging with students with caring responsibilities
- ☑ Working with a variety of alternative education providers including pupil referral units and special educational needs schools

35% of STEM students in UK higher education are women, and the STEM workforce is 24% female (STEM Women, 2021)



47%

of young people taking part in EDT activity at age 16+ were female

"Thank you for working with us and our young people! Our pupils had a great time.... and I was able to see my group grow in confidence throughout the project. I believe they developed their confidence in both their interpersonal skills and understanding of industry and sustainability." – Teacher, Educational Diversity. Alternative provision school

*where Free School Meals data has been made available

LISTENING TO OUR STAKEHOLDERS

Through connecting with our stakeholders, holding regular focus groups and conducting research, we were able to understand their challenges and needs.



61%
of employers have cancelled work experience, internships, placements due to COVID-19 (YouGov, 2020)

"Disruption in the labour market could see many young people unemployed with the effects lasting for years to come. Recovery plans should focus on investing in the younger generation."-SDS 2020.

The attainment gap between the most and least disadvantaged young people has widened by **25%** since the pandemic (EEF, 2021)

59%
of young people feel they need more workplace skills (Macquarie Youth Index, 2018)





Over 30% of parents are worried about giving "wrong" careers advice, and **50%** *don't have a clear understanding of future careers (Ernst & Young, 2017)*

54%
of young people feel held back by a lack of self-confidence (Prince's Trust, 2018)

The content in all our activities is curriculum-aligned, informed by feedback from young people and teachers and emphasises core maths and English skills.

OUR APPROACH

Working closely with our stakeholders, we adapted and became more agile to continue supporting young people during a time of uncertainty.



"Very well run, especially as it was virtual, and talks with people in the business were very well set up and executed."
Industrial Cadets student

"I would love for all employers, from all sectors, to provide these life-changing opportunities to young people - you have no idea how far these encounters go in empowering young people, especially those from disadvantaged backgrounds."
- Teacher, Woodside High School,

EDT offers new and unique ways to engage with young people through a hybrid model of learning.

Free online resources, removing geographical barriers to participation

Offering multiple methods of engagement including via our new Online Learning Management system

Virtual STE(A)M courses that are still focused on developing important employability skills like resilience and teamwork

Many thanks indeed for providing an excellent course at a difficult time - really grateful to EDT for (as usual) going the extra mile! -Parent

Working with employer partners to involve a more diverse range of mentors in our activities, ensuring that young people of all backgrounds can "see themselves" in STEM.

Theme/sector-focused experiences which reflect areas of economic growth and also the concerns and interests of young people (i.e. environmental sustainability and emerging digital technologies, etc.)

EXPERIENCES & PATHWAYS

Strengthening pathways to employment for young people through our industry-led quality benchmark for education outreach programmes and experiences.

Promoting the development of the next generation of UK's young minds, Industrial Cadets is a kite mark for schools and students seeking valuable and exciting STEM opportunities. In collaboration with partners nationwide, we are creating multiple engagement opportunities for young people who need support now more than ever. Students build Industrial Cadets portfolios to showcase experiences and acquired skills, celebrating progression and fostering a sense of achievement.

Industrial Cadets creates;

- networks of Industrial Cadets schools and local hubs of activity
- diverse, socially mobile communities of experienced and skilled young people
- clear progression routes for students, encouraging multiple interactions.

Industrial Cadets Challenger | Industrial Cadets Bronze | Industrial Cadets Silver | Industrial Cadets Gold | Industrial Cadets Platinum

Industrial Cadets

Partner Accredited Programmes

Partners can work with Industrial Cadets and use the skills and competency framework to accredit their own education and outreach programmes. The quality assurance moderation provides accredited status for partners and recognition awards for young people.

EDT Experiences

Ages 7-18

EDT experiences (previously known as First Edition, Routes into STEM, Headstart and Inspire) show young people how STEM is relevant, interesting, and can lead to a range of rewarding careers. Through EDT experiences including Virtual Routes into STEM, Insight into University, Virtual Work Experience, young people work on hands-on challenges and interact with STEM professionals and educators.

EDT Projects

Ages 13-17

EDT Industrial Cadets Gold and Bronze projects (previously known as Engineering Education Scheme (EES) and Go4SET) engage young people in real-life STEM challenges, mentored by industry professionals. Students develop their skills and gain a better understanding of STEM . They develop core employability skills including project management, communication, team-working, time management, presentation, report writing and more.

EDT Placements

Ages 17 plus

Year in Industry placements are for post A-Level/ Higher/ Advanced Higher or equivalent school leavers and undergraduate students looking for professional development within the STEM industry. Students complete a 10 to 12-month paid work placement opportunity within their intended career sector. Placements are available for all areas of STEM as well as business and finance.

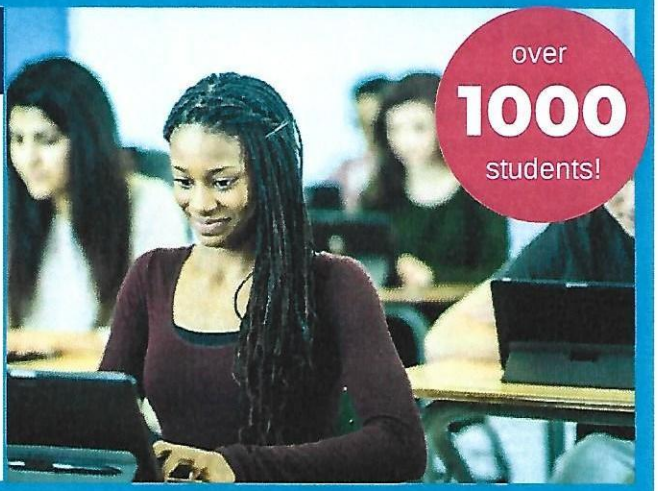
Offering bespoke and tailored programmes for partners

HIGHLIGHTS

Reaching more young people and creating unique virtual opportunities.

VIRTUAL ROUTES INTO STEM

Virtual Routes into STEM for 13 to 15-year-olds ran four times throughout the academic year of 2020/2021. Over 1000 motivated students broadened their knowledge of the pathways available to them after partaking in their GCSEs, showcasing future career opportunities and giving them the opportunity to interact with academics, students and industry professionals. We had amazing contributions from over 25 partners including colleges, universities and STEM companies. Using EDT's learning management system to facilitate this on-line learning, we transformed a three-day face-to-face to a three-week-long on-line experience.





PLACEMENT STUDENTS MAKING AN IMPACT

Through our Year in Industry scheme and Industrial Cadets Platinum accredited placements, students were able to have an immersive and impactful work placement, despite the challenging circumstances faced.

98% of Placement students said their placement has positively influenced their future study or career plans.

'This experience has honestly changed my future and springboarded my career plans further than I could ever have imagined. The past year has helped me to decide on a career path and set me up for my future with many opportunities to develop my personal skills as well as learning how to thrive in a professional environment. Without this EDT placement, my future would not look nearly as exciting and positive as it does"- Student

INDUSTRIAL CADETS WEEK GOES VIRTUAL

Industrial Cadets Week took place from 23 to 27 November 2020 and gave students a sneak peak into the exciting world of work and unique access to established professionals and emerging young talent across a wide range of sectors. The live sessions gave young people the opportunity to ask the panel of employers questions that will help and support them in making future decisions about their careers.

Following Industrial Cadets Week, we developed a resource pack that was sent to teachers across the UK, giving them complete and easy access to all the content from the week. The resource pack was shared even wider by the teachers who attended, meaning the number of young people reached as a result of Industrial Cadets Week extended far beyond the week itself.

GFG FOUNDATION

We directly engaged with 139 schools

The resource pack was sent to over 500 teachers

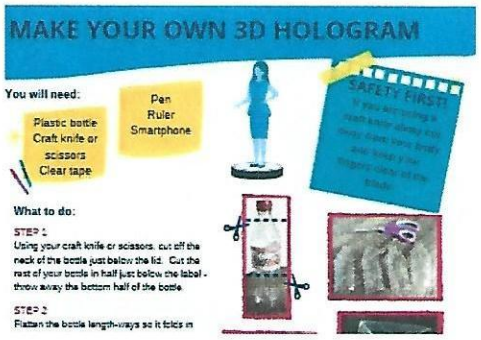
We reached circa 17,000 young people through the week itself and the supporting resource pack

DELIVERING IMPACT FOR OUR SUPPORTERS

EDT designed and delivered bespoke programmes aligned to organisations' priorities.

The Ogden Trust:

Over 450 pupils took part in *"Insight Into... Physics"* activity sessions, tailor-made to encourage under-represented young people into physics further study & careers.



90%

of pupils said they knew more about real-life uses and jobs in physics.

The Ogden Trust
making physics matter

"We want students to understand the opportunities that can come from studying physics and for them to see that physics can be for everyone. These physics-themed activity days [give] a real-life context to physics learning."
- Clare Harvey, CEO of The Ogden Trust

sky leidos CAMWOOD profusion vodafone



TECH WORK EXPERIENCE

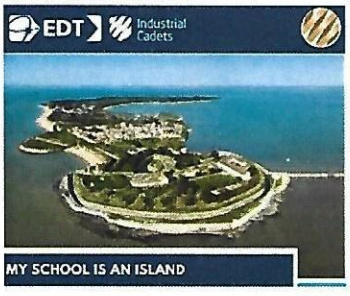
Over 200 students (most of whom already achieved their Industrial Cadets Bronze Level award through Routes into STEM) took part in our virtual Tech Work Experience, earning Industrial Cadets Silver Level awards. EDT were excited to collaborate with industry leaders including **Sky, Camwood, GE, Leidos, Profusion, Thales, Vodafone, FACT Liverpool, Collins Aerospace** and **Babcock.**

Students met industry experts, including EDT alumni, who provided a unique insight into the tech industry via live Q&As each day.

The Cadent Foundation

Over 100 young people took part in environmentally-themed STEM projects

Cadent Foundation



Pupils designed and built prototypes of climate change-resistant buildings, sustainable schools and environmentally friendly communities, supported by mentors from the renewable energy industry.

"I loved all the parts of research and discussion about sustainability and how communities such as our school, although on a small budget, can be so kind to our planet." – Pupil, The Urswick School

THE VALUE OF PARTNERSHIPS

Our mission is connecting young people with the world of work and we pride ourselves in building long term sustainable partnerships to achieve this.

Our industry partners range from SMEs (small and medium-sized enterprises) to large global employers representing the broad spectrum of STEM careers. These partnerships enable us to deliver experiences for over 50,000 students per year and introduce all our young people to inspiring mentors and role models supporting them to make informed decisions about their future.

arm ARUP Balfour Beatty bp Cadent Foundation THE CAREERS & ENTERPRISE COMPANY

Garfield Weston FOUNDATION GFG FOUNDATION gsk LEONARDO

SCOTTISHPOWER Sea green WIND ENERGY UK SPACE AGENCY Viridor WELWYN HATFIELD Working better together







INSPIRING VOLUNTEERS & FUNDRAISERS

1177 VOLUNTEERS *(mentors, assessors, ambassadors)*



DONORS

Supporters like you DOUBLED our level of charitable donations from 2019/20!

DONATE

FUNDRAISERS





TRUSTEES' REPORT
for the Year ended 31 August 2021

PERFORMANCE AND ACHIEVEMENTS

Consultation with stakeholders

Covid has created an opportunity to transform the charity and re-assess our strategy after consulting all stakeholders (funders, partners, staff and beneficiaries). Following our first consultation with employers in Summer 2020, we developed a series of online activities focused on enabling young people to connect with industry, build their knowledge and understand their career options – even more critical at this time when they have such limited choices. We did this with an ethos that we would offer additional value online in everything that we do, to counteract the disadvantage of not 'going through the door of industry'. For example, rather than meet one employer in a face-to-face environment, students have opportunities to meet several employers covering the sector virtually from all across the UK. We continued the transformation in Summer 2021 aimed at learning lessons from our experiences, further improvement answering our beneficiaries' needs in the post-Covid world and raising our profile, which will enhance our attractiveness for funders.

The academic year and its disruption

Despite the many lockdowns and changes throughout the 20/21 academic year, the entire team did an outstanding job in terms of reactions to the changes and providing a high quality service to all our students. As teachers settled into the environment of teaching in class or remotely depending on circumstances, their abilities strengthened to cope with disruptions, and called on EDT to help them in areas of most need such as virtual work experience.

Sector and theme focus

The charity has seen huge success moving away from the generic STEM theme to one focused on specific themes in areas such as Environmental Sustainability, Circular Economy, Net Zero, Cyber, AI, Aerospace and Health. The focus on sectors and themes appeals to students and funders, with EDT uniquely positioned with strong links to industry and schools/universities and experience in creating curriculum-aligned exciting, relevant content.

Flexibility for funders

EDT worked in partnership with corporates, public funders and trusts to continue to develop our own schemes but also increased flexibility in developing bespoke programmes to meet particular needs (an example of this would be a virtual Tech & Cyber work experience in collaboration with several employers in Summer 2021).

New learning platform

During the academic year 20/21, we have made several changes to our delivery as we moved from face-to-face to a virtual platform. We considered the students' need and their age, with use of Digital to its best effect to enable a fantastic experience for the students.

- We were offered a pro-bono Learning Management System at the start of 20/21 and, whilst useful to enable some courses to take place online, it did not achieve all our objectives and students found it hard to use (as was intended for University age group).
- We used this knowledge to identify a new platform that would suit the wide-ranging age group in December 2020 and have been using this successfully throughout the remainder of the academic year.

This gives the advantage to students that they can work through courses at their own pace, picking up when they have spare time from the point they last left. They can see how much of the course they have completed, attend live or recorded sessions during the course, and receive their Industrial Cadets Award digitally on completion.

The Engineering Development Trust in Scotland

2020/21 was a challenging year. The education sector in Scotland had another unsettled year, with schools closing due to outbreaks and students being taught in a blended approach combining in class and online. Our corporate partners had difficulties with staff continuing to work from home or off with Covid. Despite the lockdowns and obstacles to student engagement, we continued to deliver our challenges, programmes and placements, thanks to the successful relationships and support from many schools, teachers, the Developing Young Workforce and our stakeholders.

In 2020/21, we introduced a new virtual offering in the form of Net Zero Virtual Work Experience and successfully delivered:

- FunSTEM engaging 90 young people;
- Challenger engaging 4,657 young people;
- Bronze engaging 360 young people (a total of 60 teams);
- Gold engaging 48 young people (a total of 8 teams);
- Virtual Work Experience for 45 young people;
- 27 young people were placed by the Year in Industry programme.

The students who participated in our programmes provided us with very positive feedback:

- *100% of students agreed or strongly agreed that the work experience programme helped improved their skills and knowledge.*
- *100% of students would recommend EDT programmes to other students in their school.*
- Teacher feedback "*Excellent experience as always, which wasn't hampered by being online*."
- *81% of teachers and 85% of mentors believed that our programmes develop employability skills.*

We are looking forward to delivering our programmes in 2021/22. Glasgow hosts COP26 and we have support from Viridor and Seagreen to develop and facilitate challenges for both primary and secondary students along with the continued support of our stakeholders with our other programmes.

FINANCIAL REVIEW

The rapid digital transformation, which started last year in response to the Covid 19 pandemic, continued in 2020/21. The charitable company developed more virtual programmes and launched a learning platform, engaging with students directly or via teachers and schools.

Despite EDT's virtual offering and corporate funders' support, the charity expected the income to drop to £1.6m in 2020/21 due to the challenging external conditions and concerns about school engagement in another disrupted academic year. It proved correct: the further lockdowns prompted a high number of schools to postpone their involvement, particularly in projects. The total income for the year, excluding Other Income, was £1,609.4k, a reduction of £907.5k (36%) from last year. An additional income of £88k in the form of Coronavirus Job Retention Scheme grants took the total income to £1,697.4k.

Following the restructuring programme in 2019/20, the cost base significantly decreased, with a smaller headcount and lower variable and fixed overheads. This compensated for the drop in income and the total expenditure reduced by £951.8k (34%) to £1,842.1k. The result for the year was a surplus of £85.3k, after an investment revaluation gain of £230k. This was an encouraging result after a period of substantial change in uncertain market conditions.

For the first time since 2017/18, investments were sold in the year to support the charitable company's cash-flow during its transformation. The investment revaluation gain more than offset the sale of £200k and the CCLA investment fund value increased to £1,621.2k.

The charity's unrestricted reserves rose to £1,231.5k at the end of the financial year, above the minimum level required by the reserves policy.

In 2021/22, EDT is looking to make the most of its streamlined structure and its hybrid model: with all operational staff able to deliver all activities and flexible delivery options, the charity is in a more sustainable position to respond to its beneficiaries' needs.

PLANS FOR FUTURE PERIODS

2021/22 starts with a strengthened board structure, with a new Chair Elena Rodriguez-Falcon and new Alumni trustees who come with a youthful energy and bright ideas for change. The Alumni trustees have all participated in one or more EDT schemes themselves while in education, so come with real-life experience of the difference the charity makes.

The Board of Trustees plan to strengthen discussions on the strategic and business plan, with an appreciation that we move away from a reactive environment due to Covid to a more settled status where we can think about our plans following significant change for the next 2-3 years. This new strategy will build on the charitable company's recent successes and ensure sustainability and growth for the future.

The strategic plan recognises the changing funding environment for all sectors with which the charitable company works, including the effect of the economic environment on companies, the on-going impact of changes in the education sector and the developing expansion of apprenticeships and T-levels. The broad approach is to focus on the young persons' continuing experience, with particular focus on disadvantaged young people who are most affected by the impacts of Covid-19. The strategy continues to ensure that the student needs lie at the heart of our work, considering the different needs that they may have with our activities, dependent on socio-economic background. A stronger focus on account management for our key sponsors continues particularly in this period of economic decline, with increased work on digital presence to ensure funders feel the funding is recognised within social media to enable their brand to be better recognised for their commitment to young people.

The focus on further widening participation will be maintained with continued development of the charitable company's diversity activities such as bursaries where appropriate, creating bespoke content for Experience Days relevant to the local job prospects, and explaining the variety of pathways to a career through Routes into STEM. Industrial Cadets provides the strength to pull the activities together enabling a journey for a young person, when

they need many interactions to enable continued confidence and belief in their skills and prospects.

EDT will move to a hybrid delivery model in 2022, mixing virtual and face-to-face where it adds value. Virtual delivery will continue as it allows us to reach more students with limited costs. We will continue to use the Learning Management System in our hybrid model moving forward, whilst assessing additional features including a shop for further advancements to our service.

A strong focus will continue in our Fundraising activities and prioritisation, with a strong strategy within a changing external environment. The plan will include growth in Trusts and Foundations with a particular focus on skills for fundraising larger bids and with philanthropists. Our HRH Ambassadors, their network, and developing partnerships will aid the strategy, including for example our Friendship Agreement with the Queen's Green Canopy.

Digital presence will also be a key focus for the charity in 21/22, with growth in activities in particular in social media to ensure we are relevant and forward-thinking for students, funders and all beneficiaries.

Future plans within the schemes include the following:

Experiences

Experience Days: Demand for these STEM days remains strong and the programme continues to grow rapidly with a greater emphasis on bespoke days applicable to specific skills and geography needs, e.g. Aerospace and Space focused days in rural areas linked with space ports. The scheme enables new links to schools with the opportunity to introduce the rest of Industrial Cadets journey of activities for those progressing and interested in a STEM career. The virtual programme of activities will continue to develop and grow, with new content including Carbon Capture, a focus on Physics and links to COP26 on environmental sustainability, including competitions.

Routes into STEM has seen rapid growth and we expect this to continue, with an extended virtual course enabling young people to consider if an apprenticeship or University is right for them, with both companies and grant holders providing funding for the courses. The programme will continue to run as both virtual and face-to-face in 21/22, with plans to review running courses for older years as well with an increased interest in both corporate funders and students.

Insight into University (formally Headstart) continues to broaden the range of courses on offer and to expand the number of universities with whom we work so that we can meet student demands. The University marketplace is a very changing environment, but the reputation of Insight is still strong, with strong student feedback on our virtual courses in both Summers 2020 and 2021. Our target for the next financial year is to offer more bursaries for students who need it, with focus on under-represented groups such as young women and ethnic minorities, including more emphasis to 'first in family to experience higher education'. Our plan is also to open residential courses again for a limited number of courses where there is high demand, restrictions permitting, enabling choice for students in a hybrid world.

Projects

Industrial Cadets Bronze Projects will continue to focus on the environmental and sustainability theme, as area of greatest interest for young people, alongside Circular Economy, Digital, Built Environment and Health. The Industrial

Cadet Bronze Project is intended as an extra-curricular enrichment activity just before students make their GCSE option choices. We will add value in the virtual environment to this programme by planning a face-to-face Graduation ceremony on completion for students, an area they felt lacking last year in a virtual environment, restrictions permitting.

Industrial Cadets Gold Projects will continue to grow in 21/22 in income as the Covid impact starts to settle. The impact and quality of the scheme continue to be recognised and will likely become of even greater value to students, as they face tougher competition for entrant roles, and want activities that differentiate and show their commitment. Likewise, it offers enhanced opportunities for companies to engage with and even filter students with a view to recruitment as apprentices and pre-university. The virtual course will remain as in previous year, but the plan is to enhance this with restrictions easing to re-introduce the University Workshops and for a face-to-face graduation ceremony.

Placements

The number of students registering continues to exceed the number of placements available and we continue to explore opportunities to support students who are not successful in securing a placement. Students can be accredited at Industrial Cadet Platinum level or Platinum Leader in recognition of additional outreach activities. For 21/22, we plan for growth in income and piloting of offering the Master Classes out to broader student groups. Masterclasses will remain virtual, as students have fed back that this is a better medium with their pressure of workload and travel, and has been given excellent feedback.

Industrial Cadets

2021/2022 will be a significant year for Industrial Cadets, where we will celebrate 100,000 Industrial Cadets to date, an amazing achievement for so many young people. We aim to celebrate this milestone by going back to the roots of Industrial Cadets where it was first realised by our Patron HRH The Prince of Wales in Teesside. This will be followed by a number of activities in the Tees Valley Combined Authority focusing on building hope for young people where there is so much youth unemployment, linking activities with great industrial opportunities within the Authority. We will look to learn from this model and extend in other geographic areas across the UK

The focus for 2021/22 is to continue to build on the momentum of Industrial Cadets nationally as well, with growth enabled by investment in the Cadet programme. With the move to on-line content, employers are finding additional value in Industrial Cadets to celebrate achievement, previously done face-to-face in celebrations and graduations. We anticipate this will broaden engagement with new sponsors and income.
Our ambition is for "Industrial Cadet" to be a reference in all schools for students interested in STEM, leading to 250,000 Industrial Cadets on way to 1 million.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees' report

The Trustees, who are also directors of the company for the purpose of company law, present their report and the audited financial statements for the year ended 31 August 2021.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, The Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their financial statements in accordance with the the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The Trustees' report should be read in conjunction with the Strategic Report on pages 1 to 10.

Administrative information

The company number is 08879288. The registered charity numbers are 1156066 for England and Wales and SC039635 for Scotland. The registered address is Weltech Centre, Ridgeway, Welwyn Garden City, AL7 2AA.

The Trustees who served during the year and since the year are:

- Nick Buckland, Chair of Trustees, retired 15/07/21
- Elena Rodriguez-Falcon, joined 14/05/21, Chair since 15/07/21
- Philip Pickering, Treasurer
- Peter Chivers
- Jim Davison, retired 28/10/21
- Georgina Harris
- Gareth Hedicker
- Simon Humphrey, resigned 28/10/21
- Howard Mathers
- Katie Mawdsley, joined 05/03/21 (EDT alumna)
- Chris Miller
- Alison Moore
- Mary Pooley
- Paul Senior, joined 07/06/21 (EDT alumnus)
- Laura Steedman, joined 05/03/21 (EDT alumna)
- Michelle Watiki, joined 05/03/21 (EDT alumna)

Day-to-day management of the charity is delegated to the Senior Management Team (SMT), who are:

- Julie Feest, Chief Executive Officer
- Gennie Dearman, Chief Operating Officer
- Ciara Duffy, Scotland Director
- Florence Morgan, Finance Director
- Penny Tysoe, Communications and Funding Director

The Board of Trustees and SMT are supported by the following professional advisers:

- Bankers: CAF Bank Ltd, 25 Kings Hill, West Malling, ME19 4JQ
- Investment Managers: CCLA Investment Ltd, Senator House, Queen Victoria Street, London, EC4V 4ET
- Auditor: Abraham & Dobell, 230 Shirley Road, Southampton, SO15 3HR
- Solicitors: Blake Morgan LLP, Tollgate, Chandlers Ford, SO53 3LG

Governing document

The Engineering Development Trust was incorporated on 6 February 2014 as a company limited by guarantee, formed specifically to accept the transfer of the assets and entire business from the Engineering Development Trust, a registered charity, number 1002459, constituted 8 March 1991. The incorporation resulted in a new registered charitable company number being issued, number 1156066. The charitable company is also a registered charitable company in Scotland, number SC039635.

Organisational Structure

The charitable company is run by a Board of Trustees, which sets and monitors strategy and policies. The trustees delegate authority to deliver the strategy to the Chief Executive and staff. Regular board meetings receive reports on all the principal activities of the charitable company from the Chief Executive, Chief Operating Officer and other members of the Senior Management Team.

The trustees have established standing committees, each with its own terms of reference for governance, audit and risk, remuneration and trustee nominations.

The charitable company aims to give people ownership of the job, delegate decisions to an appropriate level and encourage staff to exercise personal initiative to achieve results on behalf of the charitable company. Considerable delegation of authority is therefore made to the Chief Executive and through the Chief Executive to the scheme's functional and regional staff, who ensure those activities meet the needs of the intended beneficiaries.

The Engineering Development Trust has, amongst others, informal working relationships with the IET, Engineering UK and Make UK, whose educational objectives are complementary to those of the charitable company.

Recruitment and Appointment of Trustees

The trustees regularly consider the mix of skills and experience needed to run the charitable company effectively and seek to recruit trustees to fill any vacancies. A Nominations Committee has been established to oversee the trustee recruitment process. Trustees are elected in accordance with the Memorandum and Articles of Association by members of the charitable company. At the Balance Sheet date there were 15 trustees (members), all of whom have limited liability of £1.

The Nominations Committee seeks a balance of representation from key stakeholder groups. It also seeks trustees who support the aims of the charitable company and are willing to make a contribution to its activities and, in addition, are sufficiently experienced to provide for effective governance.

In the year, 4 EDT alumni joined the Board of Trustees.

Trustee Induction and Training

New trustees are given an induction by meeting with the Chair, Treasurer and Chief Executive to familiarise them with:

- the obligations of the trustees;
- the operational framework for the charitable company;
- strategy and future plans;
- resourcing and the current financial position; and
- the various activities of the charitable company.

Risk Management

The assessment and management of risk is built into the day-to-day management of the activities of the charitable company and, in particular, through mechanisms to ensure the long-term sustainability of its programmes.

A risk register has been developed which is used to identify the main risks, their potential impact, likelihood and actions to mitigate them. The Audit and Risk Committee reviews and agrees these at least four times a year and the trustees receive reports by exception.

The charitable company's income is directly linked to the level of activity and is raised on a year-on-year basis. The level of participation by employers, educators and young people is significantly influenced by factors outside of the charitable company's control - the economic outlook or government education policy for example. The reserves policy reflects and addresses the main risks identified by the risk register.

Related Parties

None of the trustees receive remuneration or other benefits from their work with the charitable company. Trustees are required to provide details of other organisations in which they are employed or are linked with in another significant capacity and to report any contractual relationship with a related party. In the current year no such related party transactions were reported.

Key Management and Personnel Remuneration

The trustees consider themselves and the senior management team as the key management personnel of the charitable company in charge of directing, controlling, running and operating the Trust on a day-to-day basis. All trustees give of their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in notes 9 and 21 to the accounts.

The pay of the senior staff is reviewed annually against benchmarking data from the charity sector and from the wider economy with additional adjustments being applied as required to support the recruitment and retention needs of the charitable company.

Reserves Policy

The trustees have reviewed the major risks faced by the charitable company to determine the level of reserves necessary to meet their commitments to young people, employers, educators and other stakeholders. This value of reserves is then expressed within a range and is subject to an annual review which includes the requirement to establish an action plan, should reserves fall outside of the range agreed.

The major risks identified and other elements considered included within the reserves policy are:

- Working capital requirements.
- Liability for increased employer contributions arising from membership of two multi-employer defined benefit pension schemes by reference to the period of deficit recovery plans agreed between the respective pension scheme trustees and the pensions regulator.
- Unexpected deficit situation caused by a loss of major funding streams and/or a strategic decision to close or significantly change or close an EDT scheme.
- Risks associated with major projects, in particular where these fall across multiple years.
- Depreciation reserve equivalent to the net value of assets purchased from grants
- New Projects Fund as required from time to time in line with the business strategy.

Investment Policy

Unrestricted reserves not required to meet the short-term needs are invested with the aim of mitigating the impact of inflation on the value of those reserves and to generate annual income to support the work of the charitable company. The trustees review the investment strategy on a regular basis, receiving quarterly reports from the fund management company managing the investments.

The company is CCLA, which specialises in managing investments for charities and the funds are currently invested in COIF Charitable Funds. The Audit and Risk Committee meets with the fund managers on an annual basis to review the performance of the portfolio in relation to the trustees' investment strategy. The Audit and Risk Committee makes proposals to the trustees, taking account of advice received, to implement changes to investments in line with the investment strategy.

Our charitable aims

The objectives of the charity are the advancement of education for the public benefit including (without limitation) by the promotion of the study of science, technology, engineering and mathematics amongst young people and the furtherance of any other charitable activities for the advancement of education as the Directors think fit.

The Engineering Development Trust achieves public benefit by focusing on its mission, which is to help talented young people achieve their full potential, in particular, through careers in STEM (science, technology, engineering and maths). The trustees confirm they have complied with their duty in the Charities Act 2011 to have due regard to Public Benefit and have followed guidance published by The Charity Commission.

The activities undertaken by the charitable company are all aimed at encouraging more young people to take up careers in STEM. The charitable company aims to make their programmes and schemes accessible to all through the provision of bursaries.

This results in public benefit in several ways, including:

- to the young people who obtain experience and skills development, thereby enabling them to make more informed choices at key moments in their education in relation to potential careers and to study subjects offering real long-term sustainable opportunity and value creation;
- by aiming to widen access to key professions, enhancing diversity and 'first in family' into higher education, thereby enabling both fairer access and a wider talent pool for the economy;

- to the UK economy through the input to society of the new generation of scientists and engineers;
- to the parents and educators who benefit from seeing their children and students undertaking activities and experiences which complement the learning and advice obtained at home and school.

RESPONSIBILITIES OF THE TRUSTEES

The charitable company's trustees (who are also directors of The Engineering Development Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare Financial Statements for each financial year. Under company law, the trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources (including the income and expenditure) of the charitable company for that year. In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose, with reasonable accuracy at any time, the financial position of the charitable company and to enable them to ensure that the Financial Statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 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.

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

TRUSTEES' REPORT
for the Year ended 31 August 2021
(continued)

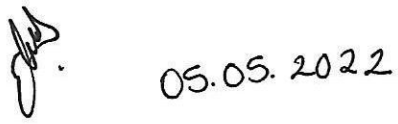
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements may differ from legislation in other jurisdictions.

In preparing this report, the trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

AUDITORS

Abraham and Dobell were re-appointed as auditors during the year and they have indicated their willingness to continue in that capacity.

Approved by the Board of Trustees on **2022 and signed on its behalf by:**



.....

Professor Elena Rodriguez-Falcon, CHAIR OF TRUSTEES

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS for the Year ended 31 August 2021

OPINION

We have audited the Financial Statements of The Engineering Development Trust (Limited by Guarantee) (the charitable company) for the year ended 31 August 2021, which comprise 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

BASIS OF OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Trustees' 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.

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' Annual Report, which includes the Directors' 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; and
- the Directors' Report included within the Trustees' Annual Report 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the Financial Statements in accordance with the Small Companies' Regime and take advantage of the Small Companies' Exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Responsibilities of the Trustees' 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 charitable company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' REPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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 on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS for the Year ended 31 August 2021 (continued)

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 and to the charitable company's trustees as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report or for the opinions we have formed.

D J MANT

SENIOR STATUTORY AUDITOR

230 Shirley Road
Southampton
SO15 3HR

For and on behalf of Abraham & Dobell,

5th May **2022**

Chartered Accountants, Statutory Auditor

Statement of Financial Activities (incorporating Income and Expenditure account) for the Year ended 31 August 2021

	Notes	Unrestricted Funds £'000	2021 Total Funds £'000	2020 Total Funds £'000
INCOME				
Donations and legacies	2	415.5	415.5	490.2
Charitable activities	3	1,137.5	1,137.5	1,975.1
Investments	4	56.4	56.4	51.6
Other income	9	88.0	88.0	251.1
TOTAL INCOME		1,697.4	1,697.4	2,768.0
EXPENDITURE				
Cost of raising funds	5	196.7	196.7	229.3
Charitable activities	6	1,645.4	1,645.4	2,564.6
TOTAL EXPENDITURE		1,842.1	1,842.1	2,793.9
Net gains on investments	11	230.0	230.0	19.7
NET (EXPENDITURE)/INCOME AND NET MOVEMENT IN FUNDS		85.3	85.3	(6.2)
RECONCILIATION OF FUNDS				
Total funds brought forward		1,146.2	1,146.2	1,152.4
Total funds carried forward		£1,231.5	£1,231.5	£1,146.2

The notes on pages 29 to 42 form part of these Financial Statements.

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

All income and expenditure derive from continuing activities.

Balance Sheet for the Year ended 31 August 2021

	Notes	2021		2020	
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible fixed assets	10		14.1		56.2
Investments	11		1,621.2		1,583.0
TOTAL FIXED ASSETS			1,635.3		1,639.2
CURRENT ASSETS					
Debtors	12	364.0		270.7	
Cash at bank and in hand		74.9		233.4	
TOTAL CURRENT ASSETS		438.9		504.1	
LIABILITIES					
Creditors: Amounts falling due within one year	13	842.7		997.1	
NET CURRENT ASSETS			(403.8)		(493.0)
TOTAL ASSETS LESS CURRENT LIABILITIES/ NET ASSETS	17		£1,231.5		£1,146.2
THE FUNDS OF THE CHARITABLE COMPANY					
Unrestricted income funds			£1,231.5		£1,146.2
TOTAL CHARITABLE COMPANY FUNDS	18		£1,231.5		£1,146.2

The trustees have prepared the Financial Statements in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual Financial Statements required by the Companies Act 2006 and are for circulation to members of the charitable company.

Approved by the Board of Trustees on 05.05.2022 **2022 and signed on its behalf by:**



Professor Elena Rodriguez-Falcon, CHAIR OF TRUSTEES

The notes on pages 29 to 42 form part of these Financial Statements. Company Registration Number 08879288

Statement of Cash-flows for the Year ended 31 August 2021

	Notes	2021 £'000	2020 £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash (used in) operating activities	25	(405.8)	(241.6)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends from investments		48.2	51.6
Interest from investments		-	-
Proceeds from sale of investments		200.0	-
Purchase of property, plant and equipment		(0.9)	(21.1)
NET CASH PROVIDED BY INVESTING ACTIVITIES		247.3	30.5
Change in cash and cash equivalents in the year		(158.5)	(211.1)
Cash and cash equivalents at the beginning of the year		233.4	444.5
Cash and cash equivalents at the end of the year	26	£74.9	£233.4

Notes to the Financial Statements for the year ended 31 August 2021

1. ACCOUNTING POLICIES

Charity Information

The Engineering Development Trust is a charitable company established under its Memorandum and Articles of Association and is registered with the Charity Commission and Companies House in England and Wales and the Office of the Scottish Charity Regulator in Scotland. The principal address is Weltech Centre, Ridgeway, Welwyn Garden City, AL7 2AA. The charitable company is a public benefit entity.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

(a) Basis of Preparation

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The Engineering Development Trust meets the definition of a public benefit company under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The Financial Statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest £000.

(b) Preparation of the Financial Statements on a Going Concern Basis

The trustees have prepared the Financial Statements on a going concern basis.

(c) Income

All income is included in the Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are received by way of donations and gifts and are included in full in the Statement of Financial Activities when receivable.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charitable company, are recognised when the charitable company becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charitable company where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.
- Investment income is included when receivable
- Income from charitable activities and grants which are related to performance and specific deliverables are accounted for as the charitable company earns the right to consideration by its performance.

(d) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure excludes VAT as the charitable company is VAT registered.

1. ACCOUNTING POLICIES (continued)

Expenditure on charitable activities comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and their associated support costs.
Support costs are those functions that assist the work of the charitable company but do not directly undertake the charitable activities. These costs have been allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource and are apportioned on an appropriate basis, e.g. floor areas, per capita or estimated usage.
Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the audit fees and costs linked to the strategic management of the charitable company.

(e) Tangible Fixed Assets

Tangible assets are measured at cost less accumulated depreciation and any accumulated impairment losses.
Fixed assets costing more than £100 are capitalised at cost.
Depreciation is provided at the following annual rates in order to write-off each asset over its estimated useful economic life:

Computer equipment	33.33%	per annum on cost
Office equipment	33.33%	per annum on cost
Software and website	33.33%	per annum on cost

(f) Investments

Investments are held as fixed assets and are included on the Balance Sheet at market value. Changes in the market value of investments between financial years are recognised in the Statement of Financial Activities as gains and losses.
Gains and losses made on the sale of investment in the year are shown on the Statement of Financial Activities.
Interest on cash deposited with banks and investment management companies is included in investment income in the Statement of Financial Activities.

(g) Debtors

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

(h) Cash at Bank and in Hand

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

(i) Creditors and Provisions

Creditors and provisions are recognised where the charitable company 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.

1.ACCOUNTING POLICIES (continued)

(j) Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

(k) Pension Costs

The charitable company is a minority employer in two multi-employer defined benefit pension schemes.
Both defined benefit schemes are contracted-out of the State Second Pension (S2P). The assets of the schemes are held by the scheme trustees in separate pension scheme trustee-administered funds. Because of the mutual nature of the schemes, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set.

The charitable company is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 102, accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the Income and Expenditure Account represents the contributions payable to the schemes in respect of the accounting period.

The charitable company also participates in a defined contribution scheme.

Further information on pensions is provided in note 24.

(l) Taxation

The charitable company is exempt from Corporation Tax on its charitable activities.

(m) Fund Accounting

Unrestricted funds consist of the general purposes fund and designated funds.
Designated funds are funds established by the trustees from time to time for specific projects or purposes. They are not in any way restricted and any surplus or deficit will be transferred to/from the general purposes fund when the designated fund is closed.
Restricted Funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.

(n) Financial Instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(o) Significant Judgements and Estimates

Preparation of the Financial Statements may require management to make significant judgements and estimates.
There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

Notes to the Financial Statements for the year ended 31 August 2021

2. DONATIONS AND LEGACIES	Unrestricted £'000	2021 Total £'000	2020 Total £'000
Donations	£415.5	£415.5	£490.2

The donations and legacies received were unrestricted for both years.
Our top five donors were the GFG Foundation, ARM, Welwyn Hatfield Borough Council, Cadent Foundation and Arup.

There were no donated services and facilities receivable which could be quantified in the year (2020 - £nil).

3. INCOME FROM CHARITABLE ACTIVITIES	Unrestricted £'000	2021 Total £'000	2020 Total £'000
Experiences	299.8	299.8	619.0
Projects	354.7	354.7	848.2
Placements	375.2	375.2	369.3
Industrial Cadets accreditations and development	107.8	107.8	138.6
	£1,137.5	£1,137.5	£1,975.1

The charitable company has received grants from local authorities and organisations linked to the government to provide various services and specific deliverables. There were no unfilled conditions and/or other contingencies attaching to the grants that have been recognised in income.

The grants and donations shown above relate to payments received during the charitable company's year to 31 August 2021 but adjusted for any deferments where the expenditure arising for that grant is being incurred in a subsequent year.

Our top five funders were Scottish Power, GSK , Network Rail, Seagreen Wind Energy and Viridor.

The income received from charitable activities was unrestricted for both years.

4. INVESTMENT INCOME	Unrestricted £'000	2021 Total £'000	2020 Total £'000
Dividends	48.2	48.2	51.6
Profit on sale of investments	8.2	8.2	-
	£56.4	£56.4	£51.6

Investment income was unrestricted for both years.

5. COST OF RAISING FUNDS

	2021 Total £'000	2020 Total £'000
Fundraising and charity development	196.7	229.3
	£196.7	£229.3

The cost of raising funds includes staff costs, travel expenses and general running costs and a portion of support and governance costs, £32.3k and £13.4k respectively (2020 - £12.5k and £11.4k).
The expenditure on raising funds was unrestricted for both years.

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Staff costs £'000	Travel £'000	Recruitment £'000	Tutors Supervisors £'000	Events Courses Workshops £'000
Experience Days	295.9	0.4	4.7	0.0	2.1
Projects	432.6	0.3	0.2	0.0	1.9
Year In Industry	212.0	0.0	0.0	0.0	0.8
Industrial Cadets	148.4	0.2	0.0	0.0	0.0
2021 Total	**£1,088.9**	**£0.9**	**£4.9**	**£0.0**	**£4.8**
2020 Total	**£1,729.9**	**£63.0**	**£6.0**	**£34.1**	**£114.7**

	Running costs £'000	Support functions £'000	Governance costs £'000	Total expenditure £'000
Experience Days	20.4	123.7	13.5	**460.7**
Projects	30.9	134.6	13.5	**614.0**
Year In Industry	16.9	109.3	13.5	**352.5**
Industrial Cadets	7.4	48.7	13.5	**218.2**
2021 Total	**£75.6**	**£416.3**	**£54.0**	**£1,645.4**
2020 Total	**£123.2**	**£447.9**	**£45.8**	**£2,564.6**

The expenditure on charitable activities was unrestricted for both years.

7. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The charitable company identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the main charitable activities undertaken in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

	General Support £'000	Governance £'000	Total Funds £'000	Basis of Apportionment
Staff costs	294.8	51.5	346.3	Time/Usage
Travel	1.2	0.1	1.3	Usage
Recruitment	0.0	0.0	0.0	Usage
Running costs	4.0	0.7	4.7	Usage
Marketing/Publicity	4.9	0.0	4.9	Usage
Depreciation	43.0	0.0	43.0	Usage
ICT	98.7	0.0	98.7	Usage
Professional fees	2.0	7.6	9.6	Usage
Audit fees	0.0	7.5	7.5	Governance
	£448.6	£67.4	£516.0	
Cost of fundraising	32.3	13.4	45.7	
Expenditure on charitable activities	416.3	54.0	470.3	
	£448.6	£67.4	£516.0	

8. NET INCOME FOR THE YEAR

This is stated after charging:	2021 £'000	2020 £'000
Operating leases	51.9	74.7
Depreciation	43.0	32.6
Professional fees	9.6	2.3
Audit fees	7.5	7.5

9. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2021 £'000	2020 £'000
STAFF COSTS		
Gross salaries and wages	1,322.5	1,743.2
Social Security costs	107.5	144.6
Pension costs	176.4	238.7
Net release of provision for redundancies	(27.7)	138.2
	£1,578.7	£2,264.7

	2021 £'000	2020 £'000
OTHER INCOME		
Coronavirus Job Retention Scheme grants	£88.0	£251.1

As a result of the COVID 19 pandemic, grant claims were made under the Coronavirus Job Retention scheme to cover staff who were furloughed in the year. The grants received are included in Other Income.

The average number of employees during the year was:	47	66
Equivalent full-time	42	60

During the year, 17 employees left following redundancies at the previous year end. Some employees ended their notice period earlier than planned, having secured other employment, hence a total redundancy cost lower than provided for in August 2020. The difference was released in the year.
There was 1 additional redundancy in the current year and the affected employee left before 31st August.

The number of higher paid employees over £60,000 was	2	2
In the band £90,000-£100,000	1	1
£80,000-£90,000	0	0
£70,000-£80,000	1	1
£60,000-£70,000	0	0

The employee benefits of the higher paid employees total £24.0k (2020 - £23.4k).

No trustees received any remuneration during the year (2020 - £nil).
Trustees may claim for reimbursement of expenses incurred whilst discharging their roles as trustees. During the year, 1 trustee received reimbursement for travel expenses for a total of £0.1k (2020 - £1.6k).

10. TANGIBLE FIXED ASSETS

	Software & Website £'000	Computer Equipment £'000	Office Equipment £'000	Total £'000
Cost				
At 31 August 2020	300.5	142.4	17.8	460.7
Additions	-	-	0.9	0.9
Disposals	-	-	-	-
As at 31 August 2021	300.5	142.4	18.7	461.6
Depreciation				
At 31 August 2020	264.6	128.6	11.3	404.5
Additions	28.8	11.1	3.1	43.0
Disposals	-	-	-	-
As at 31 August 2021	293.4	139.7	14.4	447.5
Net Book Values				
As at 31 August 2021	£7.1	£2.7	£4.3	£14.1
As at 31 August 2020	£35.9	£13.8	£6.5	£56.2

11. INVESTMENTS

	2021 £'000	2020 £'000
Market Value		
CCLA Charities Common Investment Fund	1,457.1	1,430.6
CCLA Charities Property Fund	164.1	152.4
Market Value at the end of the financial year	£1,621.2	£1,583.0
Reconciliation of Movement in Market Value of Investments		
Market value at the start of the financial year	1,583.0	1,563.3
Sale of investment at Market Value (March 2021)	(200.0)	-
Profit on sale of investment (March 2021)	8.2	-
Net gains on revaluation of investments at the end of the financial year	230.0	19.7
Market Value at the end of the financial year	£1,621.2	£1,583.0

	2021 £'000	2020 £'000
Cost		
CCLA Charities Common Investment Fund	911.2	1,052.2
CCLA Charities Property Fund	134.5	134.5
Cost at the end of the financial year	£1,045.7	£1,186.7

12. DEBTORS

	2021 £'000	2020 £'000
Trade debtors	245.0	145.3
Other debtors and prepayments	119.0	125.4
	£364.0	£270.7

13. CREDITORS: Amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	231.6	224.8
VAT	37.1	58.0
Taxation and Social Security	17.1	17.7
Pension scheme contributions	6.9	8.1
Deferred income (note 14)	361.8	293.7
Accruals	188.2	394.8
	£842.7	£997.1

14. MOVEMENTS IN DEFERRED INCOME

	2021 £'000	2020 £'000
Deferred income at 1 September 2020	293.7	245.1
Deferred income released during the year	(293.7)	(245.1)
Income received during the year and deferred	361.8	293.7
Deferred income at 31 August 2021	£361.8	£293.7

15. FINANCIAL INSTRUMENTS

Financial instruments measured at amortised cost comprise the following:

	2021 £'000	2020 £'000
Financial assets that are debt instruments (Trade Debtors)	245.0	145.3
Financial liabilities that are debt instruments (Creditors)	419.8	619.6

16. OPERATING LEASES

The charitable company is committed to payments after the year ended 31 August 2021 under non-cancellable operating leases which expire as follows:

	2021 £'000	2020 £'000
Premises - Licences to occupy expiring between one and five years	37.3	12.8
Office equipment - expiring between one and five years	1.3	3.7
	£38.6	£16.5

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2021 General Funds £'000	2021 Total Funds £'000	2020 Total Funds £'000
Tangible fixed assets			
Investments	14.1	14.1	56.2
Current assets	1,621.2	1,621.2	1,583.0
Current liabilities	438.9	438.9	504.1
	(842.7)	(842.7)	(997.1)
Total Funds	£1,231.5	£1,231.5	£1,146.2

18. ANALYSIS OF CHARITABLE FUNDS

Analysis of Movements in Unrestricted Funds	At 01.09.20 £'000	Incoming resources £'000	Outgoing resources £'000	At 31.08.21 £'000
General Funds	1,146.2	1,927.4	1,842.1	1,231.5
Total Unrestricted Funds/Total Funds	£1,146.2	£1,927.4	£1,842.1	£1,231.5

Unrestricted Funds

Unrestricted Funds comprise those funds which trustees are free to use in accordance with the charitable objects. The charitable company only has unrestricted funds.

19. CAPITAL COMMITMENTS

Capital commitments at 31 August 2021 amount to £nil (2020 - £nil).

20. CONTINGENT LIABILITIES AND POST BALANCE SHEET EVENTS

The charitable company had no contingent liabilities as at 31 August 2021 (2020 - £nil).

There are no post balance sheet events as at 31 August 2021 (2020 - none).

21. RELATED PARTY TRANSACTIONS

A number of trustees are directors of, or are associated with, organisations that provide funding to the charitable company or participate in our schemes/programmes.

There were no related party transactions arising in the year to 31 August 2021 (2020 - none).

22. TAXATION

As a registered charity, the charitable company's income is generally exempt from Corporation Tax under Section 478 of the Corporation Taxes Act 2010 by reason of its charitable objects and activities.

23. LEGAL STATUS OF THE CHARITABLE COMPANY

The charitable company is a private company limited by guarantee and has no share capital. The liability of each trustee, in the event of winding-up, is limited to £1.

24. PENSION COSTS

The charitable company participates in three pension schemes: the Universities' Superannuation Scheme (USS), the University of Southampton Pension and Assurance Scheme for Non-Academic Staff (PASNAS), and a group personal pension scheme with Scottish Widows.

Two of these (USS and PASNAS) are defined benefit schemes and employer's contributions are affected by a surplus or deficit in each scheme. For these defined benefit schemes the charitable company is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis as actuarial valuations by employer are not routinely provided. Contributions to the schemes are therefore accounted for as if they were defined contribution schemes. The assets of each scheme are held by the respective scheme trustees in separate pension scheme trustee-administered funds: 'Universities' Superannuation Scheme Limited' and 'Trustees of the University of Southampton Pension and Assurance Scheme'. The Engineering Development Trust has no representation on either of these externally administered schemes.

EDT has not entered into a formal agreement to make payments in relation to future contributions to cover any deficit relating to past service of the members of the schemes. As such, it is unable to recognise the present value

24. PENSION COSTS (continued)

of future contributions as they are not known at the balance sheet date. It may change in future accounting periods as we are hoping to clarify a future contributions plan in the next year.

The PASNAS closed to new members on 31 December 2018.

A group personal pension scheme with Scottish Widows was set up in August 2017. This is a defined contribution scheme meeting the requirements of the auto-enrolment legislation for new employees not eligible for membership of the USS pension scheme.

The total pension cost for the charitable company was £176.4K for the year (2020 - £238.7K).

The trustees of The Engineering Development Trust consider and review updates and information received from the trustees of each pension scheme.

USS

The triennial actuarial valuation as at 31 March 2020 lead to a benefit change deed being recommended by the Joint Negotiating Committee and approved early 2022. With the changes to the scheme, the scheme deficit is valued at £14.1bn and the employer contributions would remain at 21.4%. The USS Trustees are working towards an 18-year recovery plan ending in March 2038. The position as at 31 March 2021 under the same assumptions was a £5.6bn shortfall.

The contribution rate payable by the charitable company at the Balance Sheet date was 21.1% of pensionable salaries (9.6% payable by employees). At 31 August 2021, out of a total active membership in USS of 203,995 (as per USS March 2021 report), the charitable company had 5 active members participating.

PASNAS

The triennial valuation for PASNAS as at 31 July 2021 is due for filing on 31 October 2022. Contribution rates, which last increased in January 2020 to 18.95% for employers and 7.20% for employees, will be reviewed as part of the valuation process. The PASNAS Trustees currently aim at clearing the deficit by 31 March 2028.
The actuarial update from July 2020 showed the deficit had increased to £107.7m (69% funding ratio) from the £65.1m in July 2019.

The contribution rate payable by the charitable company at the Balance Sheet date was 18.95% of pensionable salaries. As at 31 August 2021, the charitable company had 12 active members participating, out of 1,511 active members in PASNAS (31st July 2020).

25. RECONCILIATION OF NET INCOME/ EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

		2021 £'000	2020 £'000
Net (expenditure)/ income for the year (as per the Statement of Financial Activities)		85.3	(6.2)
Adjustments for:	Depreciation charges	43.0	32.6
	Loss on disposal of asset	0.0	0.0
	Gains on investments	(230.0)	(19.7)
	Dividends from investments	(48.2)	(51.6)
	Profit from sale of investments	(8.2)	-
	(Increase)/Decrease in debtors	(93.3)	179.8
	(Decrease) in creditors	(154.4)	(376.5)
Net cash (used in) operating activities		£(405.8)	£(241.6)

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £'000	2020 £'000
Cash at bank and in hand	74.9	233.4
Total cash and cash equivalents	£74.9	£233.4

THANK YOU!

You help us give young people the tools they need to build bright STEM futures.



Find out more about

EDT Hybrid programmes

Industrial Cadets



EDT Industrial Cadets

With your support, EDT will continue to:

- Deliver thousands of curriculum-aligned, Industrial Cadets-accredited STEM experiences across the UK.
- Improve equality and diversity in STEM by engaging with under-represented and disadvantaged young people.
- Develop exciting STEM activities themed around growth industries and student interests.
- Support STEM industries across the UK to build a strong and resilient talent pipeline.

Website www.etrust.org.uk **Email** info@etrust.org.uk

Social media facebook.com/TheEDTUK
twitter.com/TheEDTUK
linkedin.com/company/209797

Address The Engineering Development Trust (EDT)
Weltech Centre, Ridgeway, Welwyn
Garden City, AL7 2AA

Registered Charity 1156066 (England and Wales
SC039635 (Scotland)

Company number 08879288

THE ENGINEERING DEVELOPMENT TRUST

England & Wales - Charity number 1156066

Accounts

The Engineering Development Trust

Annual Report and Financial Statements for the Year ended 31 August 2020







CONNECTING YOUNG PEOPLE AND INDUSTRY WITH INSPIRING STEM FUTURES

Company Number: 08879288
Registered Charity : 1156066 (England and Wales), SC039635 (Scotland)

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OUR VISION

Actively building a diverse talent pool for the UK economy

EDT is an education charity on a mission to connect young people and industry with inspiring STEM futures. Established in 1984, we excite and inform young people about STEM careers. Our unique method of connecting young people and industry in all our activities, and awarding students for their achievements through the Industrial Cadets accreditation framework, encourages young people to embark on an exciting journey to discover their STEM futures.

EDT's vision is a society where young people across the UK have equal access to STE(A)M activities and opportunities for further study & employment, empowering them to achieve their potential in STEM careers.



This has been a transformational year for all of us across the charity sector, education and commercial businesses due to COVID-19.

We believe that our purpose is more important now than ever before. With 16 to 24-year-olds accounting for 60% of the rise in unemployment (ONS), it will take a collaborative drive to help young people recover the learning and experiences they have missed, and prepare for a very different world of work.

A year of two halves

EDT started the academic year 19/20 with multiple programmes launching across the UK. We celebrated Industrial Cadets Week in November 2019; the launch at Dumfries House marked our partnership with the Prince's Foundation in Scotland, and the annual Industrial Cadets Awards were held at The IET in London. Activities continued to run until March in our planned way, with growth across some key sectors such as cyber security, environment and aerospace.

As we felt the effects of COVID-19 on schools, universities and businesses, we focused on supporting our stakeholders and ensuring young people could still complete activities they had started, to receive their Industrial Cadets Awards.

Through the spring and summer of 2020, we worked closely with our stakeholders to offer new ways of engaging and learning. By adapting our existing programmes and creating new virtual experiences, we continued to work towards fulfilling our vision of providing access and opportunities for all young people.

This report will give you a flavour of the importance of our transformation for beneficiaries and stakeholders and summarise how EDT have positioned ourselves as an organisation for the future. We would like to say thank you – for your collaboration, support, and willingness to adapt and change with us.

Julie Feest, Chief Executive of the EDT

Delivering over **40,000** experiences

over **350** industry partners

43% students were female

29% students were BAME

DIGITAL TRANSFORMATION



Our transformation

By consulting with key audience groups over spring & summer 2020, we listened to the needs of education and matched them with the needs of industry to understand how we can maximise our impact. A teacher from one of our focus groups shared "Only 40% of my Year 10s are returning their homework. We say generally, 30 days of absence from school results in one mark off GCSEs". This highlighted unique challenges for young people with limited access to technology and the need for flexible opportunities to learn in-class and from home.

By moving our activities online over the spring and summer terms of academic year 19/20 and continuing to adapt to the changing needs of young people, educators and sponsors, we intend to move forward with a flexible mix of in-person and virtual outreach. Online delivery has enabled us to collaborate with a wider range of schools and employers, developing new, compelling content and engaging a more diverse range of participants across hard-to-reach areas of the UK.

Our activities have all been adapted to support post-COVID academic recovery

- The activities are aligned with the Gatsby benchmarks (England) and Curriculum for Excellence (Scotland), supporting on core numeracy and literacy.
- We build employability skills like resilience & teamwork into everything we do, recognising that young people have missed work-experience opportunities and face a challenging future employment landscape.
- We are addressing the widening attainment gap & social divide by simplifying content into compelling themes and topics that will excite young people and match areas of economic growth. This gives young people and parents assurance that they are working towards moving into jobs which will continue to expand. Our current themes include environmental sustainability, climate change, circular economy, cyber, artificial intelligence and health. To view our full range of activities, please visit https://www.etrust.org.uk/edt-programmes

Over 90% of young people said they were more likely to choose a STEM career after an EDT online experience

IMPROVING ACCESSIBILITY FOR YOUNG PEOPLE



Our virtual courses provide better accessibility, removing geographical barriers to participation. We are able to widen our engagement in hard-to-reach areas and involve a more diverse range of employer representatives, ensuring that young people of all backgrounds can "see themselves" in STEM through EDT.

We now offer multiple methods of engagement including face to face, virtual and modular/standalone activities, reflecting young people's diverse learning styles and needs. We have introduced new features including weekly interactive "meet the mentor" sessions which present diverse role models to students across the UK.

"This has been a new experience where I have discovered different job types and I now think the digital tech industry sounds like a possible career for me"- Student



Bursary student case study

Our virtual course gave students key learnings on university life, career routes and study skills. We received content contributions from a wide range of university and industrial partners, and together provided 20,000 hours of online learning.

"University always seemed so intimidating to me as none of my parents have been able to guide me through it as they have never graduated themselves. However, this virtual course has laid out my options in a way that didn't overwhelm me, but rather made me confident in applying for a subject that piques my interest. I truly am grateful that I have experienced such an opportunity that has inspired me to pursue my love for coding and engineering." - Suweyda, bursary student

DELIVERING WITH A DIFFERENCE





ENSURING our projects include volunteers and mentors from industry.

FINDING benefits rather than barriers by flexibly transforming all of our activities to an online environment.

CREATING new compelling content using our expertise to engage young people.

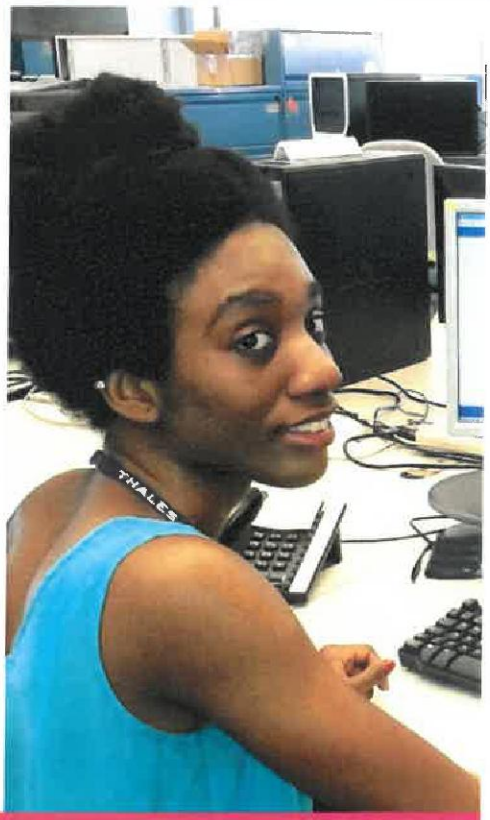
OFFERING a multitude of STE(A)M activities across the whole educational journey.

BUILDING bespoke programmes with our STE(A)M educational experts to meet sponsors, impact or geographic needs.

UNLOCKING potential and promoting achievement through Industrial Cadets.

ENCOURAGING young people to continuously engage, awarding them for their participation, leading from activities through to a fulfilling career.

We are proud of what we do!



CASE STUDY - HEADSTART & INSPIRE

now known as Insight Into University

When our students received the disappointing news that, due to Covid-19, we wouldn't be able to run our Headstart and Inspire university summer school programme, we were determined to still provide these motivated young people with a taster of university life, showcase their future career opportunities and give them the opportunity to interact with mentors, academics, students and industry.

Whilst replicating a residential summer school on-line was not completely possible, we used the opportunity to increase the range of content that we were able to provide the students with. Virtual delivery was a new approach for us and it required some different strategies to be implemented in very short time scales. Thanks to some amazing work, EDT secured a learning management system pro-bono for 2020 from one of our sponsors at very short notice to facilitate this on-line learning. This enabled us to pull together material from many of our partner universities, covering various STEM subject areas, as well as workshops from our industry partners, all in one newly created place. One of the benefits of our virtual course was that students had access to content and sessions from lots of different universities and industry partners, meaning that all the material and messaging reached many hundreds of students across the UK rather than just a single course cohort of 30-40 students.



The highlights

20,000 hours of online STEM learning for 16 and 17 year olds across the UK during the summer.

642 students successfully completed the course and graduated as Industrial Cadets.

68 different live sessions available for the students to participate in and interact with experts in their field, from industry and from academia.

AMAZING contributions from 14 partner universities and 6 industrial partners.

LIVE Q&A sessions with many inspirational Headstart alumni and current students.

The results

We built in elements to allow students to discover the areas that really piqued their interest and encouraged them to develop this further through independent research. We were delighted with the outcomes of increased confidence that the students reported.

97% agreed that they had learnt more about the STEM degree courses available to them at university during the course

90% of students rated the virtual course excellent or good

97% of the students who participated in the virtual uni courses are likely to choose a STEM career

83% would recommend the virtual course to friends at school/college

HEAR WHAT OUR STUDENTS & TEACHERS HAVE TO SAY



Discovering new things....

"The EDT course has been very beneficial for me as I have had the opportunity to discover new things. What made it so interesting was the fact that I had to use my initiative, look at all the live lectures available and make the choice for myself. If it wasn't for the EDT course, I would probably not know as much about quantum theory. It has really shown me just how many real-life applications I can relate physics to. I enjoyed watching the live Zoom webinars from students about university life. Due to COVID a lot of university open days were cancelled so it was especially helpful to get that insight from the students to help me to make choices for my future." Student

Aiding me on my future path....

"I gained the chance to get a deeper understanding of life as an engineer. I learnt skills and techniques that I know will aid me on my future path as an engineer as well as knowledge that will go a long way in my future career." -Eunice, EDT alumna, Notre Dame High School



Kids have bloomed, becoming more knowledgeable and confident....

"I have been working with EDT for a number of years and these programmes always help my pupils to gain a better understanding of Engineering and the world of work. The best thing [...] is seeing how the kids have bloomed, becoming more knowledgeable and confident." -John Harpum, Teacher, Duncanrig Secondary School

I have gained a passion & interest...

"Before beginning this course, I hadn't even heard of some of the types of engineering [...] but now I would like to pursue a future career in material science as I have gained a passion and interest for the subject. Similarly, as for the companies, I hadn't heard of ARUP or FRANK water, but now [...] it might lead me to pursue a job in their company." Student

Raising young peoples aspirations and improving their chances of a bright future

36%

students were "first in family" to attend further/higher education opening them up to a wider range of opportunities that they may not have otherwise had access to

33%

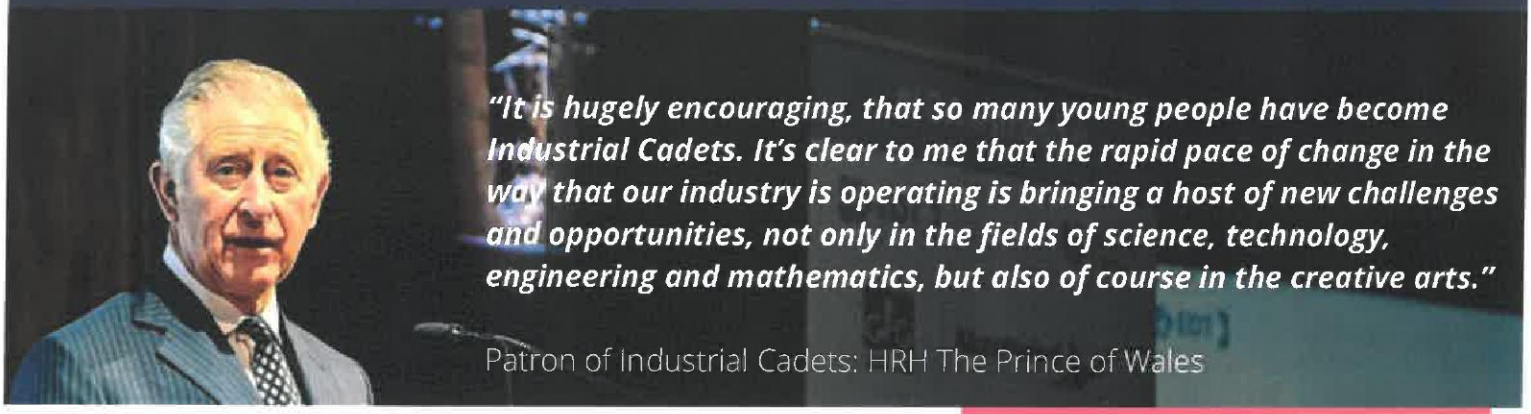
participants were BAME young people

49%

were female students

Routes into STEM course figures

INDUSTRIAL CADETS



Challenger Bronze Silver Gold Platinum

Industrial Cadets is a key component to EDT's portfolio; creating pathways to unlock potential and promote achievement. The Industrial Cadets flexible framework allows:

Young people to have the opportunity to get a unique insight into industry and demonstrate experience and progression. Their skills and knowledge are built and enhanced whilst being supported by industry. Young people receive recognition at the end of their experience and graduate as Industrial Cadets, becoming part of a national accreditation network. They can build their Industrial Cadets portfolio and explore further opportunities.

Employers and partners to have a direct influence in the development of skills in young people; helping to build a future talent pool, raise aspirations and careers awareness. Employers and partners can accredit existing EDT activities or work with our delivery partners to tailor and develop programmes at various Industrial Cadets levels, creating a structured pathway of engagement activities. Once the activity has been successfully completed, organisations gain an Industrial Cadets accredited status.

Educators to enrich the curriculum, with inspiring experiences for their students that provide unique insight into courses, careers and routes to employment whilst engaging with local communities.



EDT hosted the 3rd Industrial Cadets Awards in November 2019. It was our largest ever celebration held at the IET, London, recognising the excellence and achievement of the emerging young talent in the UK as well as partnerships with educators and industry.

The Awards were a part of Industrial Cadets week; an event-packed week with partner-led STE(A)M activities, inspirational stories and aspirational achievements helping to signpost young people to the bright future that awaits them, including celebrating our first HRH Ambassador in Scotland at Dumfries House.

93%

....of Industrial Cadets agreed that they have improved their skills as a result of their Industrial Cadets experience

94%

....of Industrial Cadets would recommend to other students in their school to take part in Industrial Cadets

88%

....of Industrial Cadets are likely to choose a future career related to their Industrial Cadets experience

TRUSTEES' REPORT
for the Year ended 31st August 2020

PERFORMANCE AND ACHIEVEMENTS

This has been an exceptional year for EDT, where Covid-19 has created a threat for us as an organisation, but also an opportunity that the entire team has embraced.

The 19/20 academic year started well, with our focus on the broad range of STEM activities and career advice for all young people, continuing to work towards our aims in terms of budget and student numbers. The Trustees continually review EDT's programmes and seek opportunities in order to widen and increase participation, encourage a better balance of gender and ethnicity and strengthen EDT's presence in the UK.

Due to Covid-19, the Spring and Summer term brought about a fundamental shift change both in terms of activities and income. EDT had to create a swift transformation to understand how best to support students through this anxious time for them, ensuring that we continue to support them. EDT's success over this transformation was thanks to our long standing relationships with our sponsors and schools who gave us time to help with ideas to best meet student demands in this rapidly changing environment, as well as working closer with the board on our changing strategy.

To develop, deliver and support EDT's wide range of learning programmes, the Trustees rely on motivated, experienced staff, on long-standing relationships with employers and educational establishments and many hundreds of volunteers, particularly mentors from STEM organisations and business backgrounds but also alumni from our various schemes. Our key accounts, employers who have a long standing relationship with us, continue to play a key role including ARM, Balfour Beatty, GSK, Leonardo and Viridor, amongst others. The Careers and Enterprise Company (C&EC) also continued to play a key role in the year by awarding further funding agreements for disadvantaged young people, and Garfield Weston on our continuing development of our strategy.

Feedback from young people, employers and mentors is gathered to measure and monitor each scheme's impact and effectiveness and inform strategy, which is particularly critical in this year of change.

In the year, EDT offered 42,123 experiences to young people, 38,237 of them through EDT schemes and 3,886 through external programmes accredited by EDT under the Industrial Cadets framework. Overall, just under 50% of students participating in an EDT programme was female, the proportion varied depending on the age group, and 29% of students were BAME (statistics based on data collected).

As in the previous financial year but further exacerbated by Covid-19, the funding and economic environment put pressure on income across many programmes but this was mitigated by actions identified throughout the summer including the move to virtual deliveries, restructuring and the use of the Government Job Retention Scheme enabling us to reach a solid position at the end of financial year given the impact of the pandemic.

The Engineering Development Trust in Scotland

EDT benefits from a strong, growing presence in Scotland and has a team based in Glasgow. A significant event took place for the Industrial Cadets Week in Scotland, when we hosted an event in Dumfries House to formally introduce Hector McAuley, Balfour Beatty, as the first Industrial Cadet Ambassador in Scotland.

Despite a turbulent year, due to the lockdown of the country in March, the team engaged with schools and industry to complete the outstanding projects in FunSTEM and Go4SET by moving from face to face delivery to virtual graduations and therefore completed all project work for the academic year.

In 2019/20, EDT Scotland successfully engaged approximately 7,000 young people through the following programmes:

- FunSTEM engaged 1,000 young people
- First Edition engaged 5,000 young people
- Go4SET engaged 700 young people (a total of 115 teams)
- EES engaged 72 young people (a total of 12 teams)
- STEM Horizons 65 young people
- 23 young people were placed by the Year in Industry programme

EDT continues to seek a dynamic and diverse range of organisations to provide inspiring opportunities for young people across Scotland. The Schools team aligns and maps activities to the Scottish curriculum, building our reputation for delivering inclusion, social mobility and attainment targets.

FINANCIAL REVIEW

In the first 6 months of the financial year, the charitable company carried on with the implementation of its revised strategy, started in 2019, and performed well against its budget. In early February 2020, the full year forecast predicted an income close to budget and a much lower deficit, thus showing faster progress towards break-even in the medium term with a stabilised income and reduced costs. In March 2020, the UK government's measures introduced in response to the Covid-19 pandemic made face-to-face activities impossible for the foreseeable future, thus threatened the income for the rest of the year and questioned the long-term sustainability of the current delivery model.

In response to the challenge and with beneficiaries in mind, the Board of Trustees and Senior Management Team reviewed how best EDT could carry out its objectives in a post-Covid world and launched the rapid transformation of the charitable company. In the second 6 months of the financial year, this translated into moving planned activities on-line and creating new virtual courses, with the support of EDT's long-term corporate and university partners, and re-structuring the organisation. Where appropriate, EDT also used the financial support available, in particular the Coronavirus Job Retention Scheme, VAT deferral and Covid relief funding, to reduce costs and support cash-flow.

As a result of these actions, the drop in income, excluding the Coronavirus Job Retention Scheme grants, was limited to 22% from last year and the total income for the year was £2,516.9k. We received an additional income of £251.1k in the form of these grants, taking the total income for the year to £2,768.0k. The total expenditure reduced by £879.4k (24%) to £2,793.9k, including provision for staff redundancies and much lower programme costs than in a normal year. The overall deficit for the year was £6.2k, after recognised gains on investments of £19.7k.

Strong operational and financial management, combined with ongoing support from key sponsors and the Government's furlough scheme, enabled EDT to remain cash positive throughout the period. No investment was sold and the CCLA investment fund values increased to £1,583k.

At the end of the financial year the Charity's unrestricted reserves remained largely unchanged at £1,146.2k, considerably above the minimum level required by the reserves policy.

Looking to 2020/21 and beyond, to help secure future viability, the charity is rapidly developing digital programmes for a drastically changed and primarily virtual marketplace. Following the restructuring programme, the underlying cost base has reduced by more than 20%, reflecting the reduction in headcount and reduced fixed and variable overheads. The external conditions remain challenging in 2020/21 but the work to date, by creating flexible and sustainable options, has built strong foundations for EDT to thrive in the medium term.

PLANS FOR FUTURE PERIODS

The Board of Trustees continued to implement the strategic and business plan, with a refresh of strategy built at the beginning of the financial year, re-adjusted again due to Covid-19. This new strategy will build on the charitable company's recent successes and to build up to become the strategic direction for the next 3 years.

The strategic plan recognises the changing funding environment for all sectors with which the charitable company works, including the effect of the economic environment on companies, the ongoing impact of changes in the education sector and the developing expansion of apprenticeships and T-levels. The broad approach is to focus on the young persons' continuing experience, with particular focus on disadvantaged young people who are most affected by the impacts of Covid-19. The strategy continues to ensure that the student needs lie at the heart of our work, and considers the different needs that they may have with our activities, dependent on socio-economic background. A stronger focus on account management for our key sponsors continues particularly in this period of economic decline.

The focus on further widening participation will be maintained with continued development of the charitable company's diversity activities such as bursaries where appropriate, creating bespoke content for Experience Days relevant to the local job prospects, and explaining the variety of pathways to a career through Routes into STEM. Industrial Cadets provides the strength to pull the activities together enabling a journey for a young person, when they need many interactions to enable continued confidence and belief in their skills and prospects.

Future plans within the schemes include the following:

- ***Industrial Cadet Challenger Experience Days (formally First Edition) Experience Days for ages 9-16 – Hands-on STEM activity days***

Demand for these STEM days remains very strong and the programme continues to grow rapidly with a greater emphasis on bespoke days applicable to specific skills and geography needs, e.g. Cyber security in Thames Valley Park, and Space skills in rural areas linked with space ports. The scheme enables new links to schools with the opportunity to introduce the rest of Industrial Cadet journey of activities for those progressing and interested in a STEM career. The virtual programme of activities planned focuses on themes such as Aerospace, Environment, Digital, and Health.

- ***Industrial Cadet Bronze Projects (formally Go4SET) Project for ages 12-14 – Themed 10-week STEM projects***

It is our intention to continue to focus on the environmental and sustainability theme of these projects and on the

national development of Industrial Cadet Bronze project, as it is at the heart of students' interest, alongside Circular Economy, Digital, Built Environment and Health.
The Industrial Cadet Bronze Project is intended as an extra-curricular enrichment activity just before they make their GCSE option choices. We will add value in the virtual environment to this programme by creating new and improved content for the project briefs, enable additional broader industry sessions for added value and alternatives for creation of a model if building shared material is still an issue at that point.

- ***Industrial Cadet Gold Project (formally Engineering Education Scheme) Project for ages 16-17 – Industry led 4-month STEM projects***

The impact and quality of the scheme continue to be recognised and will likely become of even greater value to students, as they face tougher competition for entrant roles, and want activities that differentiate and show their commitment. Likewise, it offers enhanced opportunities for companies to engage with and even filter students with a view to recruitment as apprentices and pre-university.
Throughout the summer, feedback from our stakeholders enabled us to review and enhance the programme given the pressures of Covid-19 and we have built a new virtual course to meet these needs – to enable the programme to run over a shorter time period to recognise pressure for students to catch up on studies; to broaden engagement with industry to add value by creating seminars on topics relevant and useful for that age group; enable mentors to work with the students online in a safe environment; as well as sample project briefs in themes to enable a quick start to the activities.

- ***Insight into University (formally Headstart and Inspire) for ages 16-18 – STEM experience courses at university***

Headstart continues to broaden the range of courses on offer and to expand the number of universities with whom we work so that we can meet student demands. The University marketplace is a very changing environment, but the reputation of Headstart is still strong. Our target for the next financial year is to offer more bursaries for students who need it, with focus on under-represented groups such as young women and ethnic minorities, including more emphasis to 'first in family to experience higher education'. The number of bursaries on offer has increased significantly, and marketing efforts are concentrating on getting more applications from a wider group of state schools.
The Inspire group of courses for year 11 girls will be further expanded due to increased demand, with additional bursaries as above. These courses are aimed at providing girls with the preparation and confidence to continue STEM studies into Key Stage 5 (S6 in Scotland).

- ***Routes into STEM***

Routes into STEM has seen rapid growth and we expect this to continue, with a 3-day course enabling young people to consider if an Apprenticeship or University is right for them, with both companies and grant holders providing funding for the courses. The programme was ran successfully in the Summer term as a virtual course, and will continue to follow this format in 20/21.

- ***Placements for ages 18-21 - Paid career development work placements.***

The number of students registering continues to exceed the number of placements available and we continue to explore opportunities to support students who are not successful in securing a placement. Accredited at Industrial Cadet Platinum level or Platinum Leader in recognition of additional outreach activities.

- ***Industrial Cadets for ages 9-19 – An industry accreditation and award initiative for employer engagement***

The focus for 2020/21 is to continue to build on the momentum of Industrial Cadets nationally. With the move to on-line content, employers are finding additional value in Industrial Cadets to celebrate achievement, previously done face-to-face in celebrations and graduations. We anticipate this will broaden engagement with new sponsors and income.

We also continue to work closely with our sponsors, teachers and students to ensure we meet all their changing needs in this continually changing environment, with a focus in 20/21 on ***Virtual Work Experience*** to answer the needs of young people who have been affected by a lack of work experience in Year 10 and 12, for both last year and this year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees' report

The Trustees, who are also directors of the company for the purpose of company law, present their report and the audited financial statements for the year ended 31 August 2020.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, The Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their financial statements in accordance with the the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The Trustees' report should be read in conjunction with the Strategic Report on pages 1 to 7.

Administrative information

The company number is 08879288. The registered charity numbers are 1156066 for England and Wales and SC039635 for Scotland. The registered address is Weltech Centre, Ridgeway, Welwyn Garden City, AL7 2AA.

The Trustees who served during the year and since the year are:

- Nick Buckland, Chair of Trustees
- Philip Pickering, Treasurer
- Bill McGawley, Deputy Chair, retired 08/10/2020
- Samantha Buckley, resigned 12/12/2019
- Peter Chivers
- Jim Davison
- Nike Folayan, retired 26/03/2020
- Georgina Harris
- Gareth Hedicker
- Simon Humphrey
- Howard Mathers
- Chris Miller
- Alison Moore
- Mary Pooley

Day-to-day management of the charity is delegated to the Senior Management Team (SMT), who are:

- Julie Feest, Chief Executive Officer
- Helen Anderson, Scotland & Fundraising Director, left 27/05/2020
- Gennie Dearman, Chief Operating Officer
- Ciara Duffy, Scotland Director, joined SMT 01/07/2020
- Florence Morgan, Finance Director
- Penny Tysoe, Communications and Funding Director

The Board of Trustees and SMT are supported by the following professional advisers:

- Bankers: CAF Bank Ltd, 25 Kings Hill, West Malling, ME19 4JQ
- Investment Managers: CCLA Investment Ltd, Senator House, Queen Victoria Street, London, EC4V 4ET
- Auditor: Abraham & Dobell, 230 Shirley Road, Southampton, SO15 3HR
- Solicitors: Blake Morgan LLP, Tollgate, Chandlers Ford, SO53 3LG

Governing document

The Engineering Development Trust was incorporated on 6 February 2014 as a company limited by guarantee, formed specifically to accept the transfer of the assets and entire business from the Engineering Development Trust, a registered charity, number 1002459, constituted 8 March 1991. The incorporation resulted in a new registered charitable company number being issued, number 1156066. The charitable company is also a registered charitable company in Scotland, number SC039635.

Organisational Structure

The charitable company is run by a Board of Trustees, which sets and monitors strategy and policies. The trustees delegate authority to deliver the strategy to the Chief Executive and staff. Regular board meetings receive reports on all the principal activities of the charitable company from the Chief Executive, Chief Operating Officer and other members of the Senior Management Team.

The trustees have established standing committees, each with its own terms of reference for governance, investment, audit and risk, remuneration and trustee nominations.

The charitable company aims to give people ownership of the job, delegate decisions to an appropriate level and encourage staff to exercise personal initiative to achieve results on behalf of the charitable company. Considerable delegation of authority is therefore made to the Chief Executive and through the Chief Executive to the scheme's functional and regional staff, who ensure those activities meet the needs of the intended beneficiaries.

The Engineering Development Trust has, amongst others, informal working relationships with the IET, Engineering UK and Make UK (formerly known as Engineering Employer's Federation), whose educational objectives are complementary to those of the charitable company.

Recruitment and Appointment of Trustees

The trustees regularly consider the mix of skills and experience needed to run the charitable company effectively and seek to recruit trustees to fill any vacancies. A Nominations Committee has been established to oversee the trustee recruitment process. Trustees are elected in accordance with the Memorandum and Articles of Association by members of the charitable company. At the Balance Sheet date there were 12 trustees (members), all of whom have limited liability of £1.

The Nominations Committee seeks a balance of representation from key stakeholder groups. It also seeks trustees who support the aims of the charitable company and are willing to make a contribution to its activities and, in addition, are sufficiently experienced to provide for effective governance.

Trustee Induction and Training

New trustees are given an induction by meeting with the Chair and Chief Executive to familiarise them with:

- the obligations of the trustees;
- the operational framework for the charitable company;
- strategy and future plans;
- resourcing and the current financial position; and
- the various activities of the charitable company.

Risk Management

The assessment and management of risk is built into the day-to-day management of the activities of the charitable company and, in particular, through mechanisms to ensure the long-term sustainability of its programmes.
A risk register has been developed which is used to identify the main risks and actions to mitigate them. The Audit and Risk Committee reviews and agrees these at least once a year and the trustees receive reports by exception.

The charitable company's income is directly linked to the level of activity and is raised on a year-on-year basis. The level of participation by employers, educators and young people is significantly influenced by factors outside of the charitable company's control - the economic outlook or government education policy for example. The reserves policy reflects and addresses the main risks identified by the risk register.

Related Parties

None of the trustees receive remuneration or other benefits from their work with the charitable company. Trustees are required to provide details of other organisations in which they are employed or are linked with in another significant capacity and to report any contractual relationship with a related party. In the current year no such related party transactions were reported.

Key Management and Personnel Remuneration

The trustees consider themselves and the senior management team comprise the key management personnel of the charitable company in charge of directing, controlling, running and operating the Trust on a day to day basis. All trustees give of their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in notes 8 and 20 to the accounts.

The pay of the senior staff is reviewed annually against benchmarking data from the charity sector and from the wider economy with additional adjustments being applied as required to support the recruitment and retention needs of the charitable company.

Reserves Policy

The trustees have reviewed the major risks faced by the charitable company to determine the level of reserves necessary to meet their commitments to young people, employers, educators and other stakeholders. This value of reserves is then expressed within a range and is subject to an annual review which includes the requirement to establish an action plan, should reserves fall outside of the range agreed.

The major risks identified and other elements considered included within the reserves policy are:

- Working capital requirements.

- Liability for increased employer contributions arising from membership of two multi-employer defined benefit pension schemes by reference to the period of deficit recovery plans agreed between the respective pension scheme trustees and the pensions regulator.
- Unexpected deficit situation caused by a loss of major funding streams and/or a strategic decision to close or significantly change an EDT scheme.
- Risks associated with major projects, in particular where these fall across multiple years.
- Depreciation reserve equivalent to the net value of assets purchased from grants
- New Projects Fund as required from time to time in line with the business strategy.

Investment Policy

Unrestricted reserves not required to meet the short-term needs are invested with the aim of mitigating the impact of inflation on the value of those reserves and to generate annual income to support the work of the charitable company. The trustees review the investment strategy on a regular basis, receiving quarterly reports from the fund management company managing the investments.

The company is CCLA, which specialises in managing investments for charities and the funds are currently invested in COIF Charitable Funds. The Investment Committee meets with the fund managers on an annual basis to review the performance of the portfolio in relation to the trustees' investment strategy. The Investment Committee makes proposals to the trustees, taking account of advice received, to implement changes to investments in line with the investment strategy.

Our charitable aims

The objectives of the charity are the advancement of education for the public benefit including (without limitation) by the promotion of the study of science, technology, engineering and mathematics amongst young people and the furtherance of any other charitable activities for the advancement of education as the Directors think fit.

The Engineering Development Trust achieves public benefit by focusing on its mission, which is to help talented young people achieve their full potential, in particular, through careers in STEM (science, technology, engineering and maths). The trustees confirm they have complied with their duty in the Charities Act 2011 to have due regard to Public Benefit and have followed guidance published by The Charity Commission.

The activities undertaken by the charitable company are all aimed at encouraging more young people to take up careers in STEM. The charitable company aims to make their programmes and schemes accessible to all through the provision of bursaries.

This results in public benefit in several ways, including:

- to the young people who obtain experience and skills development, thereby enabling them to make more informed choices at key moments in their education in relation to potential careers and to study subjects offering real long-term sustainable opportunity and value creation;
- by aiming to widen access to key professions, enhancing diversity and 'first in family' into higher education, thereby enabling both fairer access and a wider talent pool for the economy;

- to the UK economy through the input to society of the new generation of scientists and engineers;
- to the parents and educators who benefit from seeing their children and students undertaking activities and experiences which complement the learning and advice obtained at home and school.

RESPONSIBILITIES OF THE TRUSTEES

The charitable company's trustees (who are also directors of The Engineering Development Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare Financial Statements for each financial year. Under company law, the trustees must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources (including the income and expenditure) of the charitable company for that year. In preparing those Financial Statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose, with reasonable accuracy at any time, the financial position of the charitable company and to enable them to ensure that the Financial Statements comply with the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 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.

The trustees confirm that:

- so far as each trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

TRUSTEES' REPORT
for the Year ended 31st August 2020
(continued)

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 the Financial Statements may differ from legislation in other jurisdictions.

In preparing this report, the trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

AUDITORS

Abraham and Dobell were re-appointed as auditors during the year and they have indicated their willingness to continue in that capacity.

Approved by the Board of Trustees on 28th January **2021 and signed on its behalf by:**

.....

Eur Ing N BUCKLAND OBE CEng, CHAIR OF TRUSTEES

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES for the Year ended 31st August 2020

OPINION

We have audited the Financial Statements of The Engineering Development Trust (Limited by Guarantee) (the charitable company) for the year ended 31 August 2020, which comprise 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

BASIS OF OPINION

We conducted our audit in accordance with the International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the 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 going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the trustees have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Financial Statements are authorised for issue.

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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 ourknowledge 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' Annual Report, which includes the Directors' 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; and
- the Directors' Report included within the Trustees' Annual Report 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the Financial Statements in accordance with the Small Companies' Regime and take advantage of the Small Companies' Exemptions in preparing the Trustees' Annual Report and from the requirement to prepare a Strategic Report.

Independent Auditor's Report to the Trustees for the Year ended 31st August 2020 (continued)

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Responsibilities of the Trustees' 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 charitable company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' REPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts 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 on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

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

Independent Auditor's Report to the Trustees for the Year ended 31st August 2020
(continued)

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 and to the charitable company's trustees as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees, those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report or for the opinions we have formed.



D J MANT

SENIOR STATUTORY AUDITOR

230 Shirley Road
Southampton
SO15 3HR

For and on behalf of Abraham & Dobell,

16th March **2021**

Chartered Accountants, Statutory Auditor

Statement of Financial Activities (incorporating Income and Expenditure account) for the Year ended 31st August 2020

	Notes	Unrestricted Funds £'000	2020 Total Funds £'000	2019 Total Funds £'000
INCOME				
Donations and legacies	2	445.2	445.2	466.0
Charitable activities	3	2,020.1	2,020.1	2,703.1
Investments	4	51.6	51.6	50.8
Other income	8	251.1	251.1	-
TOTAL INCOME		2,768.0	2,768.0	3,219.9
EXPENDITURE				
Charitable activities	5	2,793.9	2,793.9	3,673.3
TOTAL EXPENDITURE		2,793.9	2,793.9	3,673.3
Net gains on investments	10	19.7	19.7	87.5
NET (EXPENDITURE)/INCOME AND NET MOVEMENT IN FUNDS		(6.2)	(6.2)	(365.9)
RECONCILIATION OF FUNDS				
Total funds brought forward		1,152.4	1,152.4	1,518.3
Total funds carried forward		£1,146.2	£1,146.2	£1,152.4

The notes on pages 25 to 38 form part of these Financial Statements.

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

All income and expenditure derive from continuing activities.

Balance Sheet for the Year ended 31st August 2020

	Notes	2020		2019	
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible fixed assets	9		56.2		67.7
Investments	10		1,583.0		1,563.3
TOTAL FIXED ASSETS			1,639.2		1,631.0
CURRENT ASSETS					
Debtors	11	270.7		450.5	
Cash at bank and in hand		233.4		444.5	
TOTAL CURRENT ASSETS		504.1		895.0	
LIABILITIES					
Creditors: Amounts falling due within one year	12	997.1		1,373.6	
NET CURRENT ASSETS			(493.0)		(478.6)
TOTAL ASSETS LESS CURRENT LIABILITIES/ NET ASSETS	16		£1,146.2		£1,152.4
THE FUNDS OF THE CHARITABLE COMPANY					
			£1,146.2		£1,152.4
Unrestricted income funds					
TOTAL CHARITABLE COMPANY FUNDS	17		£1,146.2		£1,152.4

The trustees have prepared the Financial Statements in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual Financial Statements required by the Companies Act 2006 and are for circulation to members of the charitable company.

Approved by the Board of Trustees on 28th January **2021 and signed on its behalf by:**

Eur Ing N BUCKLAND OBE CEng, CHAIR OF TRUSTEES

The notes on pages 25 to 38 form part of these Financial Statements. Company Registration Number 08879288

Statement of Cash-flows for the Year ended 31st August 2020

	Notes	2020 £'000	2019 £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash (used in) operating activities	24	(241.6)	96.6
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends from investments		51.6	50.8
Interest from investments		-	-
Proceeds from sale of investments		-	-
Purchase of property, plant and equipment		(21.1)	(51.4)
NET CASH PROVIDED BY INVESTING ACTIVITIES		30.5	(0.6)
Change in cash and cash equivalents in the year		(211.1)	96.0
Cash and cash equivalents at the beginning of the year		444.5	348.5
Cash and cash equivalents at the end of the year	25	£233.4	£444.5

Notes to the Financial Statements for the year ended 31st August 2020

1. ACCOUNTING POLICIES

Charity Information

The Engineering Development Trust is a charitable company established under its Memorandum and Articles of Association and is registered with the Charity Commission and Companies House in England and Wales and the Office of the Scottish Charity Regulator in Scotland. The principal address is Weltech Centre, Ridgeway, Welwyn Garden City, AL7 2AA. The charitable company is a public benefit entity.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are as follows:

(a) Basis of Preparation

The Financial Statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The Engineering Development Trust meets the definition of a public benefit company under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The Financial Statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts are rounded to the nearest £000.

(b) Preparation of the Financial Statements on a Going Concern Basis

The trustees have prepared the Financial Statements on a going concern basis.

(c) Income

All income is included in the Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Donations and legacies are received by way of donations and gifts and are included in full in the Statement of Financial Activities when receivable.
- Grants, where entitlement is not conditional on the delivery of a specific performance by the charitable company, are recognised when the charitable company becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charitable company where this can be quantified. The value of services provided by volunteers has not been included in these Financial Statements.
- Investment income is included when receivable
- Income from charitable activities and grants which are related to performance and specific deliverables are accounted for as the charitable company earns the right to consideration by its performance.

(d) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure excludes VAT as the charitable company is VAT registered.

1. ACCOUNTING POLICIES (continued)

Expenditure on charitable activities comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and their associated support costs.
Support costs are those functions that assist the work of the charitable company but do not directly undertake the charitable activities. These costs have been allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource and are apportioned on an appropriate basis, e.g. floor areas, per capita or estimated usage.
Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charitable company and include the audit fees and costs linked to the strategic management of the charitable company.

(e) Tangible Fixed Assets

Tangible assets are measured at cost less accumulated depreciation and any accumulated impairment losses.
Fixed assets costing more than £100 are capitalised at cost.
Depreciation is provided at the following annual rates in order to write-off each asset over its estimated useful economic life:

Computer equipment	33.33%	per annum on cost
Office equipment	33.33%	per annum on cost
Software and website	33.33%	per annum on cost

(f) Investments

Investments are held as fixed assets and are included on the Balance Sheet at market value. Changes in the market value of investments between financial years are recognised in the Statement of Financial Activities as gains and losses.
Gains and losses made on the sale of investment in the year are shown on the Statement of Financial Activities.
Interest on cash deposited with banks and investment management companies is included in investment income in the Statement of Financial Activities.

(g) Debtors

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

(h) Cash at Bank and in Hand

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

(i) Creditors and Provisions

Creditors and provisions are recognised where the charitable company 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.

1.ACCOUNTING POLICIES (continued)

(j) Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities evenly over the period of the lease.

(k) Pension Costs

The charitable company is a minority employer in two multi-employer defined benefit pension schemes.
Both defined benefit schemes are contracted-out of the State Second Pension (S2P). The assets of the schemes are held by the scheme trustees in separate pension scheme trustee-administered funds. Because of the mutual nature of the schemes, the scheme's assets are not hypothecated to individual institutions and a scheme-wide contribution rate is set.

The charitable company is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 102, accounts for the schemes as if they were defined contribution schemes. As a result, the amount charged to the Income and Expenditure Account represents the contributions payable to the schemes in respect of the accounting period.

The charitable company also participates in a defined contribution scheme.

Further information on pensions is provided in note 23.

(l) Taxation

The charitable company is exempt from Corporation Tax on its charitable activities.

(m) Fund Accounting

Unrestricted funds consist of the general purposes fund and designated funds.
Designated funds are funds established by the trustees from time to time for specific projects or purposes. They are not in any way restricted and any surplus or deficit will be transferred to/from the general purposes fund when the designated fund is closed.
Restricted Funds are funds subject to specific restrictions imposed by donors or by the purpose of the appeal.

(n) Financial Instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(o) Significant Judgements and Estimates

Preparation of the Financial Statements may require management to make significant judgements and estimates. There are no items in the Financial Statements where judgements and estimates would have a significant effect on amounts recognised in the Financial Statements.

Notes to the Financial Statements for the year ended 31st August 2020

2. DONATIONS AND LEGACIES	Unrestricted £'000	2020 Total £'000	2019 Total £'000
Charitable Trusts and Foundations	£445.2	£445.2	£466.0

The donations and legacies received were unrestricted for both years.
Our top five donors were the GFG Foundation, the Garfield Weston Foundation, Dell USA LP, the Airbus Foundation and the Geoffrey and Dudley Cox Charitable Trust.

There were no donated services and facilities receivable which could be quantified in the year (2019 - £nil).

3. INCOME FROM CHARITABLE ACTIVITIES	Unrestricted £'000	2020 Total £'000	2019 Total £'000
Employer fees for scheme participation	1,289.7	1,289.7	1,404.1
Educator fees for scheme participation	245.6	245.6	778.5
Government/ public sector funding	229.8	229.8	203.3
Sponsorship	255.0	255.0	317.2
	£2,020.1	£2,020.1	£2,703.1

The charitable company has received grants from local authorities and organisations linked to the government to provide various services and specific deliverables. There were no unfilled conditions and/or other contingencies attaching to the grants that have been recognised in income.

The grants and donations shown above relate to payments received during the charitable company's year to 31 August 2020 but adjusted for any deferments where the expenditure arising for that grant is being incurred in a subsequent year.

Our top five funders were the Careers & Enterprise Company Ltd, Tata Consultancy Services, Airbus Operations Ltd, GlaxoSmithKline and Leonardo.

The income received from charitable activities was unrestricted for both years.

4. INVESTMENT INCOME	Unrestricted £'000	2020 Total £'000	2019 Total £'000
Dividends	51.6	51.6	50.8
Interest UK Investment accounts	-	-	-
Profit on sale of investments	-	-	-
	£51.6	£51.6	£50.8

Investment income was unrestricted for both years.

Notes to the Financial Statements for the year ended 31st August 2020

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Staff costs £'000	Travel £'000	Recruitment £'000	Tutors Supervisors £'000	Events Courses Workshops £'000
STEM Experience Days	420.0	25.9	0.7	13.4	17.9
Go4SET	306.4	8.1	0.2	7.9	8.4
Engineering Education Scheme	266.4	8.5	0.2	9.2	61.3
Headstart	241.7	3.0	4.4	1.5	0.0
Year In Industry	340.3	5.5	0.0	0.2	0.6
Industrial Cadets	154.0	5.0	0.3	0.1	11.0
Scotland programmes	155.4	8.0	0.2	1.8	15.5
2020 Total	**£1,884.2**	**£64.0**	**£6.0**	**£34.1**	**£114.7**
2019 Total	**£2,016.3**	**£142.3**	**£10.6**	**£106.6**	**£583.0**

	Professional fees £'000	Running costs £'000	Support functions £'000	Governance costs £'000	Total expenditure £'000
STEM Experience Days	0.0	28.9	100.8	8.1	**615.7**
Go4SET	0.0	23.5	69.9	8.2	**432.6**
Engineering Education Scheme	0.0	14.1	115.9	8.2	**483.8**
Headstart	0.0	17.4	48.3	8.1	**324.4**
Year In Industry	0.0	14.9	76.3	8.2	**446.0**
Industrial Cadets	0.0	19.3	46.2	8.2	**244.1**
Scotland programmes	0.0	10.1	48.1	8.2	**247.3**
2020 Total	**£0.0**	**£128.2**	**£505.5**	**£57.2**	**£2,793.9**
2019 Total	**£0.8**	**£218.6**	**£541.5**	**£53.6**	**£3,673.3**

The expenditure on charitable activities was unrestricted for both years.

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The charitable company identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the main charitable activities undertaken in the year. Refer to the table below for the basis for apportionment and the analysis of support and governance costs.

	General Support £'000	Governance £'000	Total Funds £'000	Basis of Apportionment
Staff costs	333.1	47.4	380.5	Time/Usage
Travel	5.3	1.9	7.2	Usage
Recruitment	0.5	0.0	0.5	Usage
Running costs	47.9	0.4	48.3	Usage
Marketing/Publicity	19.8	0.0	19.8	Usage
Depreciation	32.6	0.0	32.6	Usage
ICT	64.0	0.0	64.0	Usage
Professional fees	2.3	0.0	2.3	Usage
Audit fees	0.0	7.5	7.5	Governance
	£505.5	£57.2	£562.7	

7. NET INCOME FOR THE YEAR

This is stated after charging:	2020 £'000	2019 £'000
Operating leases		
Depreciation	74.7	75.6
Professional fees	32.6	45.8
Audit fees	2.3	3.6
	7.5	7.5

8. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2020 £'000	2019 £'000
STAFF COSTS		
Gross salaries and wages	1,743.2	1,945.2
Social Security costs	144.6	170.5
Pension costs	238.7	253.0
Provision for redundancies	138.2	0.0
	£2,264.7	£2,368.7

	2020 £'000	2019 £'000
OTHER INCOME		
Coronavirus Job Retention Scheme grants	£251.1	-

As a result of the COVID 19 pandemic, grant claims were made under the Coronavirus Job Retention scheme to cover staff who were furloughed in the year. The grants received are included in Other Income.

The average number of employees during the year was:	66	70
Equivalent full-time	60	64

During the year, there were 20 redundancies: 3 of the affected employees left before the year end, the others ended their notice period after 31st August.

The number of higher paid employees over £60,000 was	2	2
In the band £90,000-£100,000	1	1
£80,000-£90,000	0	0
£70,000-£80,000	1	0
£60,000-£70,000	0	1

The employee benefits of the higher paid employees total £23.4k (2019 - £21.7k).

No trustees received any remuneration during the year (2019 - £nil).

Trustees may claim for reimbursement of expenses incurred whilst discharging their roles as trustees. During the year, 4 trustees received reimbursement for travel expenses for a total of £1.6k (2019 - £3.1k).

Notes to the Financial Statements for the year ended 31st August 2020

9. TANGIBLE FIXED ASSETS

	Software & Website £'000	Computer Equipment £'000	Office Equipment £'000	Total £'000
Cost				
At 31 August 2019	292.0	139.0	9.4	440.4
Additions	8.5	4.2	8.4	21.1
Disposals	-	(0.8)	-	(0.8)
As at 31 August 2020	300.5	142.4	17.8	460.7
Depreciation				
At 31 August 2019	250.5	113.8	8.4	372.7
Additions	14.1	15.6	2.9	32.6
Disposals	-	(0.8)	-	(0.8)
As at 31 August 2020	264.6	128.6	11.3	404.5
Net Book Values				
As at 31 August 2020	£35.9	£13.8	£6.5	£56.2
As at 31 August 2019	£41.5	£25.2	£1.0	£67.7

Notes to the Financial Statements for the year ended 31st August 2020

10. INVESTMENTS

	2020 £'000	2019 £'000
Market Value		
CCLA Charities Common Investment Fund	1,430.6	1,399.6
CCLA Charities Property Fund	152.4	163.7
Market Value at the end of the financial year	£1,583.0	£1,563.3
Reconciliation of Movement in Market Value of Investments		
Market value at the start of the financial year	1,563.3	1,475.8
Sale of investment at Market Value (end of the financial year)	-	-
Net gains on revaluation of investments at the end of the financial year	19.7	87.5
Market Value at the end of the financial year	£1,583.0	£1,563.3

	2020 £'000	2019 £'000
Cost		
CCLA Charities Common Investment Fund	1,052.2	1,052.2
CCLA Charities Property Fund	134.5	134.5
Cost at the end of the financial year	£1,186.7	£1,186.7

11. DEBTORS

	2020 £'000	2019 £'000
Trade debtors	145.3	261.0
Other debtors and prepayments	125.4	189.5
	£270.7	£450.5

12. CREDITORS: Amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	224.8	609.5
VAT	58.0	43.7
Taxation and Social Security	17.7	21.2
Pension scheme contributions	8.1	-
Deferred income (note 13)	293.7	245.1
Accruals	394.8	454.1
	£997.1	£1,373.6

13. MOVEMENTS IN DEFERRED INCOME

	2020 £'000	2019 £'000
Deferred income at 1 September 2019	245.1	172.4
Deferred income released during the year	(245.1)	(172.4)
Income received during the year and deferred	293.7	245.1
Deferred income at 31 August 2020	£293.7	£245.1

14. FINANCIAL INSTRUMENTS

Financial instruments measured at amortised cost comprise the following:

	2020 £'000	2019 £'000
Financial assets that are debt instruments (Trade Debtors)	145.3	261.0
Financial liabilities that are debt instruments (Creditors)	619.6	1,063.6

15. OPERATING LEASES

The charitable company is committed to payments after the year ended 31 August 2020 under non-cancellable operating leases which expire as follows:

	2020 £'000	2019 £'000
Premises - Licences to occupy expiring between one and five years	12.8	51.3
Motor vehicles - expiring between one and five years	-	-
Office equipment - expiring between one and five years	3.7	6.7
	£16.5	£58.0

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2020 General Funds £'000	2020 Total Funds £'000	2019 Total Funds £'000
Tangible fixed assets	56.2	56.2	67.7
Investments	1,583.0	1,583.0	1,563.3
Current assets	504.1	504.1	895.0
Current liabilities	(997.1)	(997.1)	(1,373.6)
Total Funds	£1,146.2	£1,146.2	£1,152.4

17. ANALYSIS OF CHARITABLE FUNDS

	At 01.09.19 £'000	Incoming resources £'000	Outgoing resources £'000	At 31.08.20 £'000
Analysis of Movements in Unrestricted Funds				
General Funds	1,152.4	2,787.7	2,793.9	1,146.2
Total Unrestricted Funds/Total Funds	£1,152.4	£2,787.7	£2,793.9	£1,146.2

Unrestricted Funds

Unrestricted Funds comprise those funds which trustees are free to use in accordance with the charitable objects. The charitable company only has unrestricted funds.

18. CAPITAL COMMITMENTS

Capital commitments at 31 August 2020 amount to £nil (2019 - £nil).

19. CONTINGENT LIABILITIES AND POST BALANCE SHEET EVENTS

The charitable company had no contingent liabilities as at 31 August 2020 (2019 - £nil).

There are no post balance sheet events as at 31 August 2020 (2019 - Covid 19 pandemic).

20. RELATED PARTY TRANSACTIONS

A number of trustees are directors of, or are associated with, organisations that provide funding to the charitable company or participate in our schemes/programmes.

There were no related party transactions arising in the year to 31 August 2020 (2019 - none).

21. TAXATION

As a registered charity, the charitable company's income is generally exempt from Corporation Tax under Section 478 of the Corporation Taxes Act 2010 by reason of its charitable objects and activities.

22. LEGAL STATUS OF THE CHARITABLE COMPANY

The charitable company is a private company limited by guarantee and has no share capital. The liability of each trustee, in the event of winding-up, is limited to £1.

23. PENSION COSTS

The charitable company participates in three pension schemes: the Universities' Superannuation Scheme (USS), the University of Southampton Pension and Assurance Scheme for Non-Academic Staff (PASNAS), and a group personal pension scheme with Scottish Widows.

Two of these (USS and PASNAS), are defined benefit schemes and employer's contributions are affected by a surplus or deficit in each scheme. For these defined benefit schemes the charitable company is unable to identify its share of the underlying assets and liabilities on a consistent and reasonable basis as actuarial valuations by employer are not routinely provided. Contributions to the schemes are therefore accounted for as if they were defined contribution schemes. The assets of each scheme are held by the respective scheme trustees in separate pension scheme trustee-administered funds: 'Universities' Superannuation Scheme Limited' and 'Trustees of the University of Southampton Pension and Assurance Scheme'. The Engineering Development Trust has no representation on either of these externally administered schemes.

The PASNAS closed to new members on 31 December 2018.

23. PENSION COSTS (continued)

A group personal pension scheme with Scottish Widows was set up in August 2017. This is a defined contribution scheme meeting the requirements of the auto-enrolment legislation for new employees not eligible for membership of the USS pension scheme.

The total pension cost for the charitable company was £238.7K for the year (2019 - £253K).

The trustees of The Engineering Development Trust consider and review updates and information received from the trustees of each pension scheme.

USS

The process for the triennial actuarial valuation as at 31 March 2020 started in December 2019 and is due for filing on 30 June 2021. The 2020 valuation re-examines the actuarial assumptions and the structure of the recovery plan. Pending its completion, the contribution rate increases decided under the valuation at 31 March 2018 will apply from October 2021: 23.7% for employers and 11% for employees. The 2018 valuation concluded to a deficit of £3.6Bn (95% funding ratio) and assumed a recovery plan running until 31 March 2028. An interim valuation, at 31 July 2019, estimated the deficit to £6.6Bn due to worsened market conditions.

The contribution rate payable by the charitable company at the Balance Sheet date was 21.1% of pensionable salaries (9.6% payable by employees). At 31 August 2020, out of a total active membership in USS of 204,753 (as per USS March 2020 report), the charitable company had 8 active members participating.

PASNAS

The next triennial valuation for PASNAS is due as at 31 July 2021. The actuarial update from July 2019 showed the deficit had increased to £65.1m (79% funding ratio) from the £38.5m in the 2018 valuation. A deficit recovery plan is in place, the contribution rates last increased in January 2020 to 18.95% for employers and 7.20% for employees.

The contribution rate payable by the charitable company at the Balance Sheet date was 18.95% of pensionable salaries. As at 31 August 2020, out of a total membership in PASNAS of 4,233 (2019), the charitable company had 20 active members participating.

24. RECONCILIATION OF NET INCOME/ EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

		2020 £'000	2019 £'000
Net (expenditure)/ income for the year (as per the Statement of Financial Activities)		(6.2)	(365.9)
Adjustments for:	Depreciation charges	32.6	45.8
	Loss on disposal of asset	0.0	0.6
	Gains on investments	(19.7)	(87.5)
	Dividends from investments	(51.6)	(50.8)
	Profit from sale of investments	-	-
	Decrease/ (Increase) in debtors	179.8	265.5
	(Decrease)/ Increase in creditors	(376.5)	288.9
Net cash (used in) operating activities		£(241.6)	£96.6

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020 £'000	2019 £'000
Cash at bank and in hand	233.4	444.5
Total cash and cash equivalents	£233.4	£444.5

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