

FIRST UK
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

FIRST UK

LEGAL AND ADMINISTRATIVE INFORMATION

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FIRST UK

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FIRST UK

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

FOREWORD FROM THE FOUNDER

FIRST UK was less than two years old when the world was engulfed in a pandemic the likes of which none of us were prepared for. After much hard work and lessons learnt we were emerging from an embryonic organisation in pilot mode – to one with high growth potential ready to prove. We were poised to convert this momentum at our first flagship national championships in London's Olympic Park. Then COVID struck.

The charity was agile in its response - adapting provision with more online content, building a robotics simulator, implementing remote events and virtual judging. We drove efficiencies, using Government schemes flexibly and not backfilling roles. With the pandemic nearing the end, we are proud to have not only 'survived' but done so while delivering programmes, albeit on a much smaller scale than we would have otherwise expected.

But survival is not enough if we are to truly shift the dial in making STEM less intimidating and more accessible. Whilst these actions bode well for the future insofar as demonstrating ability to operate leanly with an increasingly attractive cost to impact ratio, the disruption due to the pandemic has left the charity exposed. Income generation plummeted 65% to £335K as fundraising conditions deteriorated. Student participation halved as schools remained shut for extended periods during the year. The charity must focus on not just regaining the momentum of the first two years, but accelerating impact to stand out as a truly sustainable, outcomes driven organisation setting the standard in terms of STEM enrichment interventions in the UK.

Much of the groundwork for success has been laid. We have over 30 years of evidence base in other countries and the content, tools, technology, people to deliver – alongside the support of some fantastic partners from industry who recognise the role FIRST UK can play in driving a pipeline of equipped and confident talent. We are focused on converting this into a clearly defined, well supported and cost-effective model for scaling the intervention whilst tracking its impact and ensuring we reach the right young people, at the right time in their educational journey.

Schools, teachers, parents, and students have never been so acutely aware of the importance of technology in their lives. The disadvantage gap has never been so broad. FIRST UK is more relevant than ever. I look forward to the charity harnessing these conditions to rebound and move into a new phase of growth.

Vikrant Bhargava
Founding Chair of Trustees

"I just wanted to say how much an amazing initiative this has been for our school, increasing female participation in computing and design technology at GCSE from 4 to 40% in just one year".

Toby Osborne, Head of D&T Ferndown Upper School

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

INTRODUCTION FROM THE CEO

A global pandemic has fundamentally shifted the way we operate as society and as a charity. Schools took curriculum online overnight. Parents grappled with home-schooling. The disparity between access to technology and its impact on learning outcomes, wellbeing and social mobility has been brutally exposed - with disadvantaged young people and those with special educational needs disproportionately affected. At the start of the pandemic 20% of young people eligible for free school meals had no access to a computer at home. A third of students have a poor internet connection - or none whatsoever.

Against this backdrop FIRST UK responded by overhauling its e-learning platform, introducing [new technologies](#), developing additional curriculum mapped content. We adjusted the season timeline, implemented a new events model, remote mentoring, and virtual judging.

Under its campaign 'furlough for good', FIRST UK led sector wide lobbying of government to adjust the Coronavirus Job Retention Scheme (CJRS) to better serve charities – [garnering widespread support](#) from cross bench peers and contributing to the Chancellor introducing flexible furlough in October 2020.

Forced abandonment of the charity's flagship national championships at the Copper Box Arena in March 2020 - a prime platform for fundraising - had a catastrophic impact on income generation. At the same time industry partners retrenched, financial support reduced, and grant renewals were delayed. Overall income to the charity dropped 65% from £953K to £335K in 2020-21, of which £102K was grants from the Coronavirus Job Retention Scheme. When these are removed, the charity's income from charitable donations and fundraising was £203K – a near 80% drop on the previous year.

Headcount reduced 40% through redundancy and natural attrition from seven to four. Utilising furlough the charity operated at around 33% capacity April to December 2020, and 20% from January 2021 onwards.

Notwithstanding the extreme operating conditions, the charity continued to invest in efforts to reach and serve disadvantaged young people. In addition to digitising content, a new robotics simulator was developed in partnership with engineers from Bloomberg. With curriculum mapped content developed by a Head Examiner in GCSE Computer Science from OCR exam board the simulator introduces basic concepts of computing to build confidence in coding to students at Key Stage three. It is intended to act as a gateway product to the charity's core provision whilst enabling in classroom, after school club and at home delivery.

Despite ongoing COVID-19 disruption and pressures, 101 teams from 72 organisations registered to the programme. Two further national lockdowns in the autumn and spring terms coupled with, repeated school closures, operation of year group and classroom bubbles, prohibition of after-school clubs and extreme pressures on staff placed considerable challenges on delivery and participation.

The charity remains committed to recapturing the trajectory of its first two years of operation. It will implement lessons learnt during this pilot phase to move into a new period of scaling and growth. Our mission and purpose are more relevant than ever. Our evidence-based intervention blends curriculum mapped content, with the latest tools and technology, driving rich encounters with role models from industry - empowering young people to make the subject and career choices which will define their futures. We must work with partners who share our vision for overcoming the systemic challenges identified, now exacerbated by COVID-19, and who are willing to commit the resources and effort to help more young people be more than robots.

Ed Cervantes-Watson

CEO

Dec 2021

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

FIRST UK is a STEM education organisation using robots, educational content, role models from industry and competitions to equip young people with the technical knowledge and core life skills needed to tackle tomorrow's challenges.

Mission

To make STEM less intimidating, more accessible, and diverse - using robots and inspirational role models from industry to fuel a talent pipeline of future innovators.

Vision

A world where young people are aware of the STEM education and career opportunities available and are equipped with the technical knowledge and core life-skills to tackle tomorrow's challenges.

Impact

'How will this improve outcomes for young people?' – our guiding question. Having developed our beta Theory of Change we are embarking on a longitudinal study to follow young people's progress.

Values

To deliver on our mission, achieve impact and drive systemic change we have agreed founding principles

- **Impact** - deliver against a pathway to impact which is evidence based and rigorously audited
- **Value** - signpost a clearly articulated value proposition for schools, educators, young people
- **Quality** - develop programmatic content, customer journeys and interventions which are insight driven, audience focused and dynamically evaluated and iterated
- **Efficacy** - deploy an operating model optimised to deliver impact at scale, leanly, and effectively
- **Collaboration** - align and coordinate with others in pursuit of a common mission
- **Influence** - drive agenda change and disrupt appropriately
- **Perspective** - retain line of sight of mission, invite fresh perspective on achieving it quicker or better

OBJECTS

The charity's objects are *"for the public benefit to advance the education of school aged children in STEM (Science Technology Engineering Mathematics) subjects amongst schools through the provision of structured preparation and learning for robotics competitions."*

The charity does not currently hold any significant endowments or restrictions on its income, operating capital, or reserves. The policies adopted in furtherance of these objects are described in the charity's governing document and there has been no change in these during the reporting period.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIES FOR ACHIEVING AIMS AND OBJECTIVES

The primary platform by which the charity currently seeks to drive change is through an immersive, student directed, industry mentor supported, expeditionary learning programme called FIRST Tech Challenge. The programme can be delivered in mainstream schools, special educational need (SEN) and alternative provider (AP) settings, as an after-school, community-based club and in other environments which reach hard to serve, disadvantaged young people.

The FIRST Tech Challenge programme

FIRST Tech Challenge offers young people of secondary school age (12 to 18) the opportunity to build and programme a robot and enter a global competition series. The process is facilitated by a teacher or team lead and supported by a mentor from industry. Teams comprise up to 15 learners occupying multiple roles linked to real-world careers. An online learning platform provides structured content and learning resources co-created by educators, industry, and young people. The platform also homes training content for volunteers whilst facilitating team and mentor networking. Having built a robot teams participate in competitions to earn awards and accreditation.

**We support young people with the educational tools
and experiences to **own their future** in STEM.**



Content



Technology



Encounters



Competition



Recognition

Through self-directed learning, teams develop vital technical and interpersonal skills they can apply in the classroom and the workplace.

Targeting

The programme seeks to impact young people who typically have less exposure and support to engage in STEM subjects at school, with a particular focus on driving participation and inclusion amongst:

- Girls,
- those from disadvantaged backgrounds,
- and those with special education needs or other accessibility challenges.

Selection

Funding in the form of kit bursaries, travel awards and supply teacher cover are made available to all non-fee paying DfE registered educational establishments. To access funding, the team lead (usually a teacher) completes a short supporting statement at registration, detailing how they will select young people to participate, how they propose to implement the programme and what they hope to achieve. This information is overlaid with demographics data – including social deprivation indexing and pupil premium.

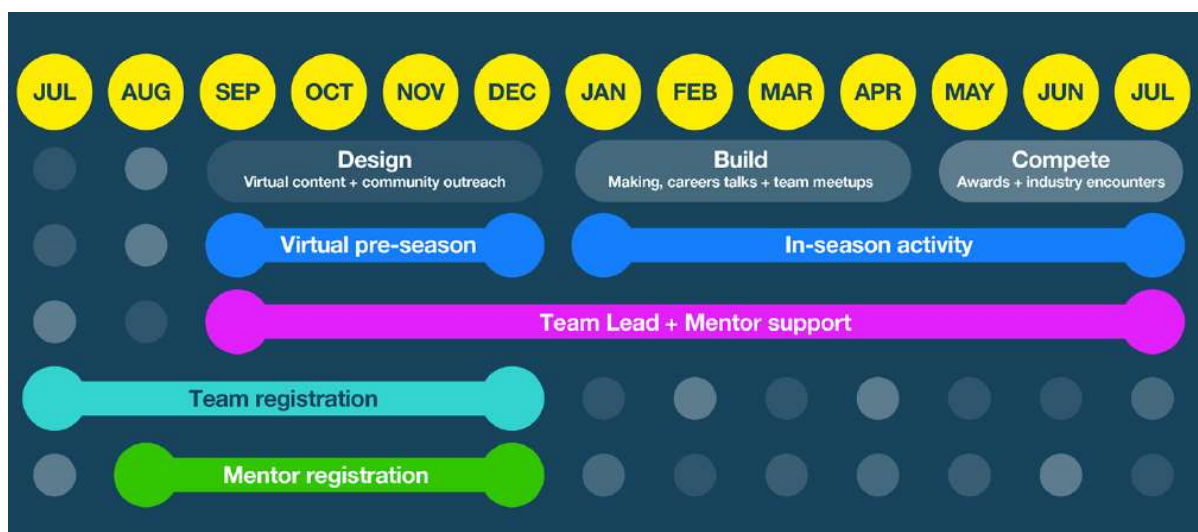
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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Roadmap

Once registered the team can access a mentor from industry through a pool of DBS-checked volunteers recruited and trained by the charity. In a typical year, the programme commences in September when the global challenge for that year is announced. Informal local practices ('scrimmages') take place in the autumn term hosted by champion schools or universities, building towards the regional competition in spring term held at inspirational venues often linked with industry. The national finals are held before Easter with winners progressing to the world championships in the USA in May.



Teams compete in alliances (two teams vs two teams) fostering collaboration between learners. In addition to how robots perform in competition, teams are judged on values they have demonstrated off the field – earning awards for community outreach, teamwork, innovation, critical thinking, resilience, fundraising etc. Teams document their progress in an engineering notebook and achieve nationally recognised accreditation - including British Science Association CREST Awards (Gold) and Engineering Development Trust Industrial Cadets (Gold).



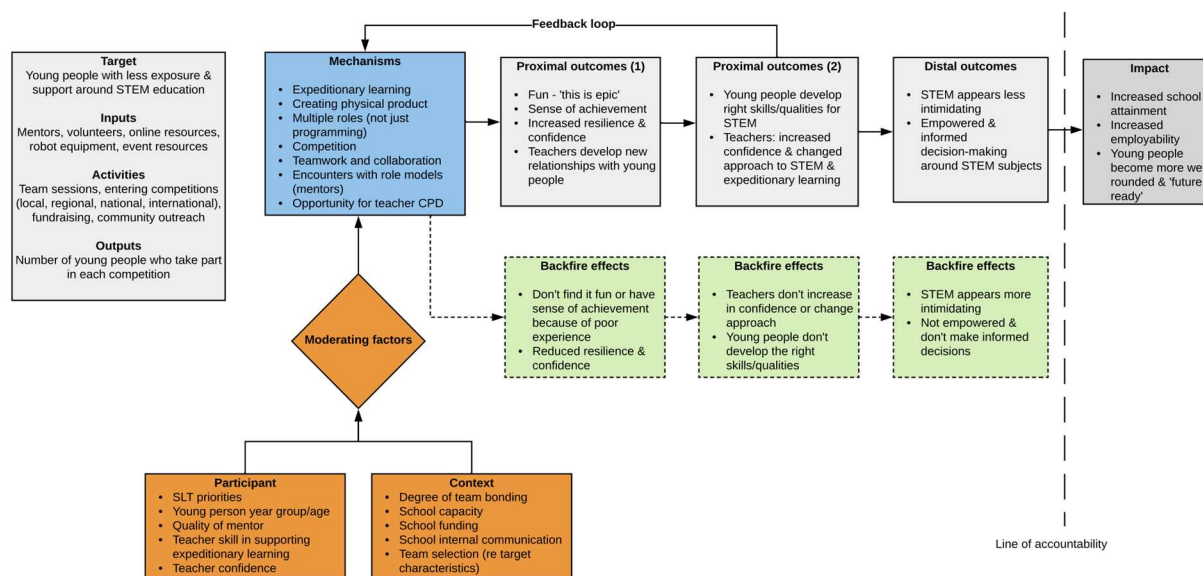
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FOR THE YEAR ENDED 31 MARCH 2021

CRITERIA TO ASSESS SUCCESS

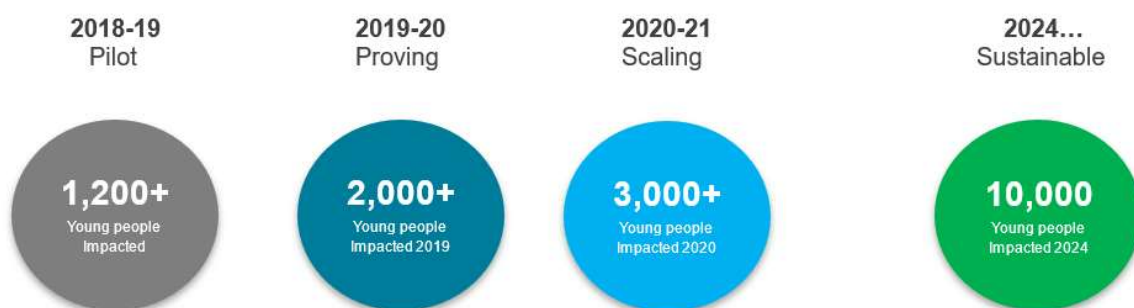
The charity's Theory of Change (ToC) developed during 2019-20 is flexible and will evolve as the organisation establishes itself, refines the operating model and responds to feedback and insight.



COVID-19 disrupted attempts to assess this ToC against the first full cycle of charitable activities and is unlikely to be reviewed with comprehensive evaluation data until summer 2022 at the earliest.

Reach

In its first year (2018-19) the charity set a target of supporting 100 teams – impacting over 1,000 young people which was achieved. The charity doubled participation in 2019-20. Pre COVID-19 had intended to impact at least 10,000 young people from hard to reach, disadvantaged backgrounds by 2024.



Growth during year two (2019-20) was hard won. Against the backdrop of COVID-19 disruption the charity is revisiting both its modus operandi, route to scaling and any associated projections.

A separate strategy review during 2021-22 will look at lessons learnt to date, mitigations, the impact of COVID-19, and any proposed scaling model.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Reconciliation of data

COVID-19 provided opportunity for the organisation to review its data strategy, collate and reconcile historical information and update records with its Salesforce CRM which was introduced in 2019-20. The update led to new definitions being used to classify interactions between the charity and its beneficiaries.

Definition	Description
Reached	Completion of charity registration form/bursary application ¹
Engaged	Registration to events portal ²
Completed	Attendance at event ³
Returned	Previously engaged ⁴

As a result of the data reconciliation the charity has a much better overview of the first 3 years of operations, confidence in its reporting and understanding of the underlying factors affecting uptake, participation, completion. All of which are critical in informing the charity's growth and scaling strategy moving forwards.

¹ Registration does not necessarily result in a team/org which goes on to be engaged or complete for factors beyond the control of the charity e.g., the team lead may leave the school between registration and start of programme, curriculum or enrichment priorities may shift

² The charity follows multiple secondary indicators of engagement including access to content via its learning management system, activity on social media, open rates to e-comms, survey completions, participation in webinars etc – however the single point of truth is registration to the USA events portal which is compulsory if the team is to progress to live events

³ Whilst the charity provides access to bursaries supporting travel and supply teacher cover in respect of attendance at events – on occasion teams simply cannot attend due to unforeseen circumstances such as illness, failure for LEA to approve the trip request in time and other reasons. In this circumstance the organisation is marked as 'confirmed' but not completed. The experience provided by events is a critical part of the intervention and outcomes.

⁴ Importantly, return rates are calculated not from total registrations, but rather whether a registered team goes on to engage. The charity has witnessed drop off from registered to engaged as articulated under footnote five. Where a school/team fails to engage if appropriate the organisation may at the discretion of the charity defer its registration or the bursary is cancelled, and equipment recovered for onward distribution.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Reach

In retrospect the charity perhaps set itself overly ambitious and naive targets year one as an unknown, unestablished entity seeking to reach and impact at least 100 teams. With the first employee commencing in April 2018, achieving charitable status in May, and launching a website in June 2018 – it was clearly highly ambitious to develop the relationships and footprint to be operating in 100 schools by September 2018 - particularly given planning cycles within schools.

	2018-19	2019-20		COVID-19 2020-21	
	Total	Total	YoY	Total	YoY
Organisations	67	146	145%	72	-51%
Teams	100	177	177%	101	-57%

DfE funding secured three months after commencing operations provided the charity with accelerated access to a dozen schools within the Stoke Opportunity Area (OA). A former teacher with strong ties to schools across the region was employed as outreach manager within the OA. This allowed the charity to focus its recruitment activities and secure a large tranche of schools clustered within a tight geographical area.

In 2019 the charity doubled participating organisations through a range of outreach activities, attendance at STEM fairs, word of mouth referrals – before COVID-19 emergence interrupted this positive trajectory.

Engagement

The charity has tested many ways to track engagement with the programme throughout the school year. This includes monitoring access to the learning management platform where teams access content and resources, social media activity, response rates to e-comms, interaction with mentors, completion of surveys and other time bound programmatic tasks, attendance at events etc.

Teams vary in how they choose to engage with the programme. Some are prohibited from using social media accounts for safeguarding reasons, others access content and resources in different ways dependent upon experience, need, skillsets. By choosing a single point of truth – registration to the events portal which is made available for a time bound period and must be completed to progress in the programme – we can ascertain the number of teams who have engaged beyond registration. We combine this piece of data with other anecdotal sources to form a picture of overall engagement by team.

	2018-19		2019-20	
	Total	%	Total	%
Organisations	60	91%	129	88%
Teams	88	88%	160	90%

Whilst we had only two full years of operation before COVID-19 disruption, we can report positive (c90%) engagement levels were achieved post registration.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Completion

Completion is strictly defined as attendance at an event. Events form a critical part of the overall experience for young people, the atmosphere, interaction with role models, competition, collaboration, and recognition opportunities are all important drivers in changing perceptions to STEM. The charity provides bursaries to remove barriers to attendance – supporting travel and supply teacher costs.

	2018-19		2019-20	
	Total	%	Total	%
Organisations	53	88%	94	73%
Teams	78	89%	118	74%

The slight overall decline in attendance at events in the second year of operations was in large part due to expansion of provision nationwide. This presented some challenges with teams located in remote areas a considerable distance from their nearest event – making travel impractical. The charity must factor this into its scaling plan – considering how it targets provision geographically, builds a network of clusters nationwide, and makes events more accessible by adapting the operating model.

Return

Retention rates are a keen focus for the organisation – and present significant challenges particularly with regards to reliance on passionate, motivated individual staff within the setting who are responsible for delivering the student-led, mentor supported programme. Where this individual leaves the setting, or their role/capacity changes it can impact continuation of the programme.

Moreover, if school priorities change any curriculum enrichment activity is likely to be the first to suffer. It is clear to the charity that we must seek to engage the programme in the fabric of the school and create redundancy. This can be achieved in part by

- Better targeting of headteachers and SLT to obtain initial buy-in and support for the intervention
- Highlighting the USPs particularly related to careers and industry interactions
- Aligning content to the curriculum moving it from enrichment to core curriculum
- Offering different delivery models – after-school, in class, full cohort
- Supporting teachers with training, CPD and programme accreditation
- Better engaging of parents in the programme as advocates and mentors

With only two full years of operation before COVID-19 disruption we can only effectively report on the return rate from year 1 to year 2, which saw 47 of the original 60 organisations classified as 'engaged', return to participate (78%).

Drop-off was highest amongst Opportunity Area schools – where only 64% returned. The nature in which these organisations were compelled to participate in the programme by the Local Authority (as part of DfE funding), coupled with funding fatigue and opportunity saturation within the OA probably contributed to the reduced return rate amongst these organisations.

The overall customer journey in terms of content, resources, support, placement of mentors etc – was limited by virtue of the newness of the organisation. Thus, teams and organisations may have had a sub-optimal experience in the pilot year which may have impacted return rates.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

ACTIVITIES

The primary activity of the charity is provision of the FIRST Tech Challenge which, in its current format typically provides for at least 20 weeks (40-60 hours per young person) of rich, continuous development through mentor supported, scaffolded learning using robotics kits and competitions.

The charity's core activities span:

1. **Equipment provision** – supply of robotics kits, hardware and software
2. **Grant-making** – issuing bursaries supporting participation (e.g. kits, travel, supply cover)
3. **Content** – development of curriculum mapped, industry linked learning resources
4. **Volunteering** – recruitment, support, quality assurance of mentors and event volunteers
5. **Events** – delivery of local, regional and national tournaments
6. **Training** – CPD for teachers, mentors and volunteers (online and offline)
7. **Marketing** – in support of acquisition of teams, mentors and volunteers
8. **Evaluation** – research into the efficacy of STEM enrichment
9. **Influencing** – seeking to drive systemic change and policy making

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

GRANT MAKING POLICY

Inclusion

The charity focuses interventions and support where it is needed most – seeking to drive diversity in STEM, raising aspirations and supporting social mobility through:

- **Allocating resource** – against robust metrics including pupil premium measures, social deprivation indices and other recognised data points
- **Focusing operations** – in areas of identified need such as social opportunity areas, careers hubs and other mission aligned networks
- **Monitoring and reporting** – against impact robustly, tailoring the programme and adjusting provision accordingly

The charity currently offers direct financial support in the form of robotics kit bursaries – each kit (cost c£800) contains all the hardware and software to power a team of up to 15 learners to participate fully in the programme. The kits are reusable year on year – providing an embedded robotics provision to the setting.

In recognition of acute funding challenges across the state education system – the charity also makes available small grants (typically between £250 and £500) supporting teams requiring assistance with travel or supply teacher costs to attend events.

Funding eligibility

Financial support is only available to non-fee paying DFE/OFSTED registered schools, SEND and Alternative Providers with a secondary age provision. Youth and Community Groups with a Safeguarding Policy in situ will be considered on a case-by-case basis.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Funding criteria

The charity supports organisations who serve disadvantaged communities, drive social mobility, and promote inclusion and diversity – using objective measures of disadvantage such as Pupil Premium/Free-School Meals, social deprivation indexing, and additional context provided during the application process to assess the level of financial support offered.

Funding Process

Applications for financial support are assessed on a rolling basis throughout the year and organisations are typically informed of outcome within 14 days of submitting their application. A grant award letter is issued to successful applicants detailing the amount, duration and terms.

USE OF VOLUNTEERS

The programme relies heavily on volunteers to act as mentors to teams and to deliver events. In 2019-20 the charity volunteering pool (registered to the charity's CRM database) comprised around 180 volunteers, up from around 100 the previous year. This growth is largely down to positive employee engagement efforts with industry partners.

A key USP for the programme is the interaction between role models and young people. Mentors are available to engage with teams weekly for at least an hour from September until March – in person or remotely as agreed between the team and the mentor. The charity facilitates the relationship between teams and their mentors by:

- **Recruitment** – securing and on-boarding suitable role models from industry partners
- **Training** – providing comprehensive content, resource and support for mentors
- **Safeguarding** – providing guidance on securing and working with a mentor safely
- **Technology** – providing platforms for teams and mentors to connect

Recruitment

It is critically important that the volunteer pool is drawn from a variety of diverse backgrounds with the experience, knowledge and interpersonal skills to connect with young people. The charity works closely with the HR functions within its industry partners (many of whom have dedicated Equity, Diversity and Inclusion functions) - as well as leading volunteering organisations (such as STEM Learning, WISE, Computing at School hubs) to signpost positive volunteering opportunities.

The charity is focused on continually expanding the number of available volunteers and ensuring they are suitably on-boarded to the programme, able to access training and adequately vetted. There is an aspiration to maintain a pool of at least double the number of active volunteers to participating teams – ensuring that every team has access to at least one mentor and events can be staffed adequately. In addition, it is hoped that as the community of mentors and volunteers become more proficient and confident – they will become key advocates to help the organisation scale, raise awareness, fundraise, and drive impact.

Training

To maintain the quality of the programme and interactions between young people and role models - it is important that both mentors and event volunteers are equipped with the relevant training and support to undertake their role effectively. The charity provides guidance on the skills required in various roles, access to e-learning content to support professional development whilst offering in-person CPD for mentors, teachers and event volunteers.

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TRUSTEES' REPORT (CONTINUED)

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Quality assurance

Teams are regularly canvassed for feedback on the quality of mentor interactions submitting weekly attendance reports online as well as in depth surveys at the start, mid-point and end of programme. Mentors, teachers and volunteers are also surveyed. Such reporting enables the charity to maintain a dynamic, real-time picture of the volunteering experience, identify potential areas of concern or improvement. The charity monitors mentor and volunteer performance at local, regional and national events.

CHARITABLE ACHIEVEMENTS

Having doubled its reach in its second year of operations (from 67 organisations to 147, serving 178 teams and impacting up to 2,000 young people to year end 2020) the charity's momentum was abruptly halted by the emergence of COVID-19. The charity was [forced to abandon](#) its flagship championship event which coincided with the UK's first national lockdown.

Undeterred the organisation continued to react in a highly agile manner. Already well versed in working flexibly, with the tools and technology to adapt the charity immediately moved to implement a remote championships event including virtual team judging. FIRST UK provided advice and guidance to other sector players on bringing aspects of their events online – including Engineering UK's Big Bang Fair.

Lobbying government

In April 2020 as the Coronavirus Job Retention Scheme was announced, the charity took an immediate leading position – lobbying the government to make the scheme fit for purpose for charities by allowing furloughed staff to volunteer for their organisations. The 'Furlough for Good' campaign resulted in [14 cross party peers writing to the Chancellor](#) on behalf of the sector – ultimately influencing key amendments to the scheme and allowing furlough to be used more flexibly.

Adapting provision

Taking the view COVID-19 disruption would persist well into 2021 – it was unlikely schools would be able to engage or participate in any form of non-essential curriculum-based delivery for much, if not all, of the academic year. Consequently, we accelerated our technology roadmap, [introducing new tools](#) to support distance learning and improving access at home, including:

- Overhauling our e-learning platform
- Introducing a new digital portfolio
- Implementing remote mentoring

Concurrent to this, an adjusted season timeline was announced – delaying the core programme until January 2021, allowing more time for schools and teachers to weather the disruption and develop mentoring partnerships. Finally, a new remote events format incorporating online judging was introduced.

Whilst initially introduced to combat the effects of the pandemic, many of these adaptations will be taken forward into future years – allowing us to achieve scale and impact through better use of technology and a more efficient operating model.

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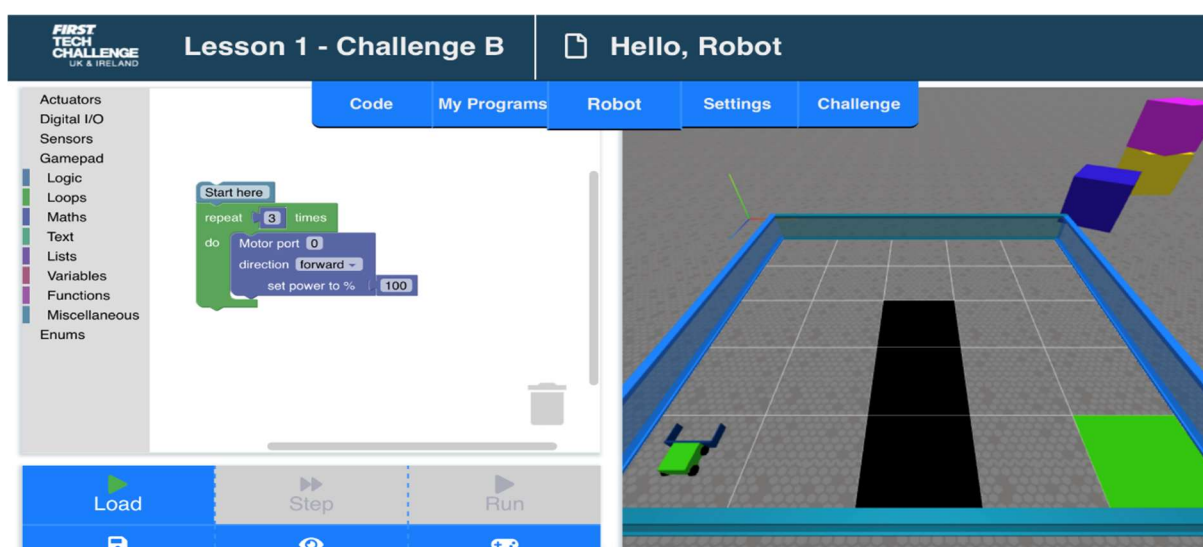
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Operating leanly

To maximise efficiencies and conserve charity funds, the charity elected to use the furlough scheme - operating at around 40% of capacity between April and December 2020, and 20% from January 2021. The CEO reduced salary to below 50% during the same period, and 33% from January onwards. Consequently, expenditure on charitable activities reduced 54% from £832K 2019-20 to £389K in 2020-21. The charity has demonstrated well that it can make efficiencies which allow it to continue delivering a quality provision whilst reducing the cost per school, team, and pupil – which will be of increasing importance as the organisation move from pilot to scale.

Using time wisely

In addition to implementing rapid changes to the programme and accelerating our technology roadmap we used time afforded whilst schools were not in session to explore new projects to improve accessibility and support remote learning. Most notably we embarked upon a project with engineers from Bloomberg to develop a new Robotics simulator – a virtual coding platform to build confidence and coding skills at home and in the classroom before taking on FIRST Tech Challenge.



Continuing to provision

Despite operating on depleted capacity with the team working from home or on furlough the charity continued to make plans to deliver an adapted provision during academic year 2020-21. By September 72 organisations and 101 teams had registered to participate - below our previous year (146 / 177) – but encouraging given the immense challenges presented. The charity ramped up to 60% capacity for a period between September and December in a bid to support teams and roll out adjusted provision which in addition to updated content and technology included:

- **Widening participation with remote events**
A new events model allowed schools to operate the programme safely within their own environment – with virtual judging panels using employees from industry partners.
- **Using champion schools to build community hubs**
A network of six experienced schools were on-boarded to champion FIRST within their local communities – conducting STEM outreach, hosting a game field, and supporting new teams.
- **Testing in-curricular activity**
The charity worked with two settings to develop an in-class, full year group delivery model. The first pilot ran successfully during the autumn term at Sandbach School with Year 7 D&T students. The second was developed with Northfleet Technology College across Business, Computing, and Design and Technology for

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Year 9 students but was postponed due to school closures in the spring term. We intend resuming full cohort delivery in 2021-22.

- **Building confidence with a virtual simulator**

Providing teachers (both subject leads and non-specialists) with the tools to introduce coding and robotics in the classroom is critical. All students in the UK are taught the basic principles of computer science including coding, sequencing, and iteration. Together with industry partners and educational experts, the charity developed a virtual robotics simulator. Initially, this provides six curriculum mapped computer science lessons at Key Stage 3 deliverable in the classroom or as an after-school club - whilst functioning as a gateway product to FIRST Tech Challenge. It will allow teachers to deliver elements of the Teach Computing curriculum in new, engaging ways – with full lesson plans and resources developed by teachers ensuring little or no session preparation by teachers. Gamification of the simulator will drive students who complete the course to consider participating in FIRST Tech Challenge through the award of bursaries.

- **Expanding remote mentoring**

Volunteers from industry play a pivotal role in bridging the gap between the classroom and the workplace. In 2020-21 we recruited, trained and DBS certified 91 employees from industry partners who volunteered to work remotely with teams. Consequently, every participating organisation was able to access an industry professional as a mentor.

Outcomes

Despite best efforts, ongoing COVID-19 disruption including two national lockdowns and school closures during the autumn and spring terms wreaked havoc on the charity's provision. The capacity of schools to participate in anything other than core curriculum catch up and the inability of teams to meet face to face severely limited potential for impact. A small number (29%) of engaged teams did complete the programme – with [two socially distanced events](#) eventually held in the summer term of 2021 alongside virtual judging which allowed us to recognise the efforts and resilience of young people.

FUNDRAISING LANDSCAPE

The charity had embarked upon ambitious plans to ramp up its fundraising activities as it emerged from its second-year pilot into a new scaling phase. Supporting this in late 2019 a new [Director of Development](#) had been recruited to drive forward income generation. Activities hinged around the flagship championships event at the Copper Box Arena – to which supporters, potential donors, philanthropists, leaders from across industry, trusts, foundations, and government had been due to attend. It was devastating when the event had to be abandoned and the consequent impact on the charity's financial stability and funding pipeline cannot be overstated.

Further setbacks soon followed as corporate partners understandably tightened purse string - grant renewals were cancelled or delayed as the world grappled with a global pandemic – and the associated socio-economic fallout.

Income generation and sustainability

The charity suffered a 65% fall in income to £335K (from £953K previous year). It was (and remains) heavily reliant on a small number of early adopting and committed industry supporters.

Use of furlough, reduction of headcount (through redundancy, natural attrition, and a recruitment freeze), along with voluntary salary reduction by the CEO were critical in ensuring the charity's survival.

Redundancy of the Director of Development post (April 20) and the extensive use of furlough significantly impacted the charity's capacity to fundraise. The conditions to generate income were far from optimal – with many grants paused or diverted to supporting COVID-19 response. With the charity struggling to deliver its core provision its ability to make fundraising asks was further debilitated.

FIRST UK

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The charity remains overly reliant on a small number of industry partners for this funding and will be seeking in 2021-22 to establish longer term commitments from these core supporters as well as building the capacity to diversify income streams.

The charity reduced its reliance on donations facilitated by its principal funder from 45% of income to (£481K in previous year) to £0 in 2020-21 – however this has further exposed the organisation to COVID-19 impact. The Chair of Trustees continues to provide gift in kind to the charity in the form of HR, legal and financial support - significantly reducing head office operating costs.

Paid for provision

Whilst charitable provision is targeted at non-fee-paying organisations, opportunity exists to implement a revenue model whereby private schools buy-in provision whilst supporting local state schools. Such a model may be attractive to independent schools keen to demonstrate community outreach credentials in their capacity as registered charities and complementing the charity's desire to drive social mobility and extend its funding capacity.

There is also increasing rationale to avoid fully funded charitable provision – to secure buy in and commitment from schools.

VAT relief

The charity maintains its classification with HMRC as a business - allowing it to charge VAT on the cost of participation whilst recovering VAT on cost of supply. This unique status allows the charity to reduce its operating costs by recovering all VAT paid to suppliers in relation to provision of its charitable activities – making the organisation a more attractive investment opportunity for potential donors.

INVESTMENT PERFORMANCE

The charity currently does not carry out any investment activity. This position will be reviewed once an operating cash surplus including at least four months reserves has been achieved.

RESERVES POLICY

The trustees agreed to operate a nil cash reserves policy whilst the charity is in start-up mode. This approach supports the significant up-front investment in the systems and core infrastructure to provide solid foundations for the future - concurrent to spending out on direct provision as the organisation seeks to create cut through in a saturated and challenging landscape.

In the context of COVID-19 and the income generating issues created – the charity has been unable to develop reserves but is prioritising this as part of its COVID recovery plan.

FIRST UK

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

FACTORS OUTSIDE THE CHARITY'S CONTROL AFFECTING OBJECTIVES

School environment

Some moderators identified for FIRST Tech Challenge are common to other programmes taking place in schools, such as school funding, capacity for change, efficiency of internal communication, and the fit of the programme with the school's senior leadership team (SLT) priorities. Teacher confidence in delivering FIRST Tech Challenge, and the ages of the young people engaging, are participant-related moderators also common to other programmes involving teaching staff and pupils. Other factors are specific to this programme, including the teacher's skill in supporting expeditionary learning (e.g., whether they are open to embracing experiential learning versus maintaining a more traditional teaching style), the ability of the team to bond and work together productively, and the quality of the industry mentor, including their approach to delivering the programme.

Self-selection bias

One factor of strategic importance is the selection of young people to take part in the programme. Schools currently differ in how they approach this: some ask children to volunteer, while others specifically select children who are less engaged and represented in STEM education. This affects the extent to which the programme reaches its target audience and will affect the degree of change one would expect to see in terms of empowered, informed decision-making around STEM. In other words, a high degree of self-selection would mean the programme is only engaging those students who are already interested in STEM. In addition to providing clear guidance and supporting content to teams and team leads around composition and promoting inclusion, the charity is testing different delivery models including partial (class) and full (year group) cohort delivery. It also targets specific cohorts such as all girls' schools, priority schools within identified national networks, and trialling the programme in other non-school settings with hard-to-reach groups.

Political landscape

The impact of Brexit and the government's stance in key policy areas such as education, employment and digital skills create for a challenging operating and fundraising landscape. That said, a well-documented STEM skills crisis is likely to remain front and centre of the nation's Industrial Strategy and is reinforced by comprehensive reports by Learned Societies into the state of STEM education and careers in the UK. Credible research such as Gatsby Benchmarks are setting the bar for educators, schools and industry to meet.

Resilience

The potential of the charity's core offering to deliver on progress measures including Gatsby Benchmarks, alignment to key national initiatives such National Centre of Computing Education alongside, implementation of T-Levels and changes to the OFSTED framework and Welsh curriculum towards a more expeditionary based learning approach – all favour the charity's positioning in the long term.

The increasing desire of UK industry to take an active role in driving a talent pipeline of future-ready young people equipped with the technical knowledge and life skills for the workplace makes the charity's core offering highly compelling – both as an investment opportunity, as well as a rich employee engagement platform.

FIRST UK

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

COVID-19

The emergence of new variants is anticipated to impact the charity well into 2022. With the potential for continued disruption to schooling caused by lockdowns, closures, staff absences, year group bubbles and social distancing measures all contributing to a highly challenging operating environment. Whilst the charity has well adapted its provision to cater for such – the reality remains beyond the disruption; schools may simply be unable to prioritise anything other than core-curriculum and catch up. The charity must respond proactively and sensitively to the needs of schools, teachers and young people whilst it continues to offer a valuable enrichment opportunity.

RISK MANAGEMENT

The Trustees have a duty of due diligence to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The charity's risk register is maintained by the CEO and reviewed regularly at Trustee meetings. The Trustees are satisfied that these arrangements, combined with the annual review of financial controls and the reserves policy, will ensure that the organisation can continue to fulfil its charitable objectives.

Insurance

The charity works with specialist insurers (Ansvar) to ensure its activities are comprehensively insured, all risks fully factored with coverage reviewed regularly with accurate participation numbers and projections supplied annually.

Events

A core part of the charity's provision is the delivery of robotics tournaments locally in schools, colleges and universities; regionally in industry locations, museums, military bases and conference centres; and nationally in stadia. These events attract significant numbers of young participants, teachers, mentors and volunteers occupying multiple roles. The scale of participation and relative complexity means there is an inherent risk which is under constant review. The charity has extensive risk management systems in place, including conducting site visits and risk assessments which are published for each event and made available to participants, volunteers and staff.

Safeguarding young people

Ensuring young people have a positive and safe experience participating in FIRST Tech Challenge is paramount. Whilst the ultimate responsibility for Safeguarding lies with the participating organisation the charity has agreed in consultation with trustees and external independent consultants (SAFECic) additional measures to ensure the protection of young people:

- The charity currently restricts its provision to OFSTED or DFE registered organisations. At the discretion of the CEO, provision may be expanded to recognised Youth or Community Groups where a documented Safeguarding Policy exists
- Participating organisations must appoint a designated (and a deputy) employee to act as Safeguarding Lead and these representatives must remain on site and ensure participants are adequately supervised - including when a mentor or FIRST UK is present.
- The Charity and Participating organisations must adhere to Keeping Children Safe in Education 2019 and any additional applicable guidance and legislation. It is the participating organisation's responsibility to undertake necessary risk assessments and take into consideration any additional requirements of participants in the programme

FIRST UK

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Safeguarding employees

Charity employees who may come into frequent contact with young people hold enhanced DBS checks which are renewed annually and are automatically enrolled into the DBS online checking service. All staff must undertake Safeguarding Children and Young People, FGM and PREVENT training which is recorded and maintained in an online HR portal.

Safeguarding mentors

Whilst FIRST UK does not contract, employ or formally place mentors with team – it encourages participating organisations and mentors to ensure a valid DBS certificate is held and signposts routes such as the STEM Ambassador programme where DBS checks and safeguarding training can be completed for free. From 2020 onwards the charity will also work with its industry partners to achieve DBS checking of employee volunteers either via the employer or via the charity.

Safeguarding volunteers

Volunteers and all event attendees must register with FIRST UK acknowledging receipt of the charity's safeguarding policy. Volunteers are provided with a safeguarding brief on the day by the designated charity safeguarding lead. Details of the nominated safeguarding lead and reporting process are issued to all volunteers and displayed at events.

Fit for the future

With no legacy systems, processes, or data the charity has focused on using tech to build the infrastructure to scale at pace, sustainably. During the first two years of operations the charity has:

- Implemented a new CRM
- Developed and then overhauled its e-learning platform
- Built volunteer and events management systems
- Launched, then re-developed its digital platform
- Integrated finance, HR, and governance systems
- Deployed the latest project management and collaboration tools

Relevance

The STEM enrichment landscape is a saturated one – with a myriad of competing offerings delivered by commercial organisations, charities, not for profits, learned societies and government. Provision varies hugely in terms of quality, impact, evidence base, duration, cost, geographical reach, target audiences, delivery models. This environment provides acute challenges in creating cut through and projecting the quality and impact potential of the provision.

The charity must therefore develop and maintain a stand-out value proposition which:

- Reduces barriers to entry related to cost, capacity or confidence
- Maps to and delivers on key existing areas of priority and progress measures
- Offers multiple delivery styles - in the community, after-school, in curriculum
- Demonstrates unequivocal impact, is quality assured and evidence based
- Is sufficiently unique to compete or compliment

Within this context the charity must deploy innovative and fresh marketing and communications to create a tone of voice which resonates. It must use technology to capture and report on data underscoring its impact. It must continue to identify and build critical friendships which allow it to amplify its share of voice and accelerate the pace at which it achieves its mission. The pandemic has further compounded challenges engaging and operating in schools.

FIRST UK

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Independence

Whilst FIRST UK is an independent registered charity in England and Wales, the organisation's primary product FIRST Tech Challenge is licenced for a small (<£5,000) fee from a global not for profit based in the USA – FIRST Inspires. This presents many benefits such as being part of a global movement, leverage of the brand, access to programmatic content, competitions (including the global championships), and a vast network of existing industry partners and foundations who have long supported FIRST. At the same time this may create dependencies, exposure or tension in other areas such as:

- Over-reliance on one product platform
- A need to comply with global brand or programmatic constraints
- Potential for negative reputational impact through association with parent brand
- Conflict of interests and relationships with partners, funders and supporters
- Ownership of IP (content, learning materials and technology, marketing, tone of voice)
- Unfavorable amendments to duration or terms of any licence

Whilst significant in potential impact, the perceived risk level is deemed very low by Trustees. The relationship with FIRST Inspires has always been positive; the Chair of Trustees is a close friend of the founder of FIRST Inspires and sits on the Board of FIRST Global. Both organisations are established as not for profits with a shared mission. FIRST Inspires have been generous with advice and support as FIRST UK have established themselves. FIRST Inspires have also directed funding in the form of sub-grants whilst making introductions to industry partners interested in supporting the UK. Whilst this of course also helps FIRST Inspires grow its global footprint and service its relationships with corporate multinationals – the overall relationship is a symbiotic one.

The Trustees, along with the CEO will continue to review the charity's position particularly with regards to naming, licencing arrangements, IP, offering and product diversification to ensure it remains competitive and able to conduct its activities fully without impediment or concern.

Retention and attrition

The charity must retain a close eye on return rates and repeat participation as it seeks to scale. It continues to prove incredibly challenging, costly and time consuming to acquire teams and organisations. Finding the key protagonist with capacity and appetite to champion the programme is difficult. Obtaining SLT buy-in and supporting the link teacher to recruit a diverse range of young people along with a mentor to deliver the programme is even harder. Loss of this individual to a new role or different school invariably risks the programme discontinuing in the setting. The charity must:

- Focus on support for teachers to make the programme easy and fun to deliver
- Provide flexible delivery options and natural obvious homes for the programme
- Maximise the placement and quality of mentors with teams
- Increase penetration (# teams within org) to embed the programme to fabric of school
- Grow support within the wider school community (governors, parents) creating redundancy
- Collaborate with organisations and networks with existing relationships to expand reach

Understanding barriers to entry, retention and attrition remain a keen focus for the charity as it continues to evolve the product, refine the offering and customer journey.

FIRST UK

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE, MANAGEMENT

The charity was registered on 18 May 2018. The charity is a company with no share capital and the governing document is the 'Foundation' Constitution of a Charitable Incorporated Organisation whose only members are its trustees.

Working with trusted partners such as the National Charity Volunteering Organisation (NCVO) and SAFECic the charity has developed core governance, policies and safeguarding frameworks comparable to blue-chip government and non-governmental organisations working with young people. It has implemented solid systems and processes across HR, finance, and data management functions – including implementing a CRM (Salesforce).

COVID-19

The emergence of a global pandemic, the likes of which the world has not seen in a century present the greatest, and potentially unmitigable risk to this charity and countless others like it.

The impact of the virus on the economy and society only started to become evident as the charity neared the conclusion of its second year of operations. The impact will be profound – and felt for many years, if not generations to come.

Operationally our charity will need to seek new and different ways to reach, engage and support schools and young people in a time of acute national and global crisis. With education interrupted by a revolving door of national lockdowns, local school closures, staff, and pupil absences – we will need to be empathic and adaptable in our response.

It may be many years before the school environment returns to any sense of normality – if it ever does. Learning will increasingly rely on technology to take place effectively in the classroom or at home. Providing equitable access to the devices and platforms which allow for such remote learning is a national infrastructure challenge far beyond the remit and control of this charity.

Ensuring a generation, whose education has already been grossly interrupted, can catch up will invariably result in anything but core curriculum being de-prioritised. Measures to protect against the virus will reduce the ability for groups of young people to work together and impact how other encounters such as mentoring and physical events take place.

All areas of society and the economy have and will continue to be impacted. Corporate partners who have been a strong source of both funding and employee volunteers – may have to pivot their focus to their own survival. Inevitably there will be a period of significant entrenchment and likely recession. There will be less money and less capacity to support charitable activities. At the same time demands upon the charitable provision will likely increase – leading to greater demand for support against a rapidly depleting pot of funds and donors.

The charity moved immediately to implement a COVID-19 adjusted operating model for 2020-21 which continues to evolve as the virus does. The business continuity plan includes the CEO meeting (virtually) with the Trustees regularly to monitor and review the charity's response to the emerging crisis.

FIRST UK

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

KEY PERSONNEL

Chief Executive Officer

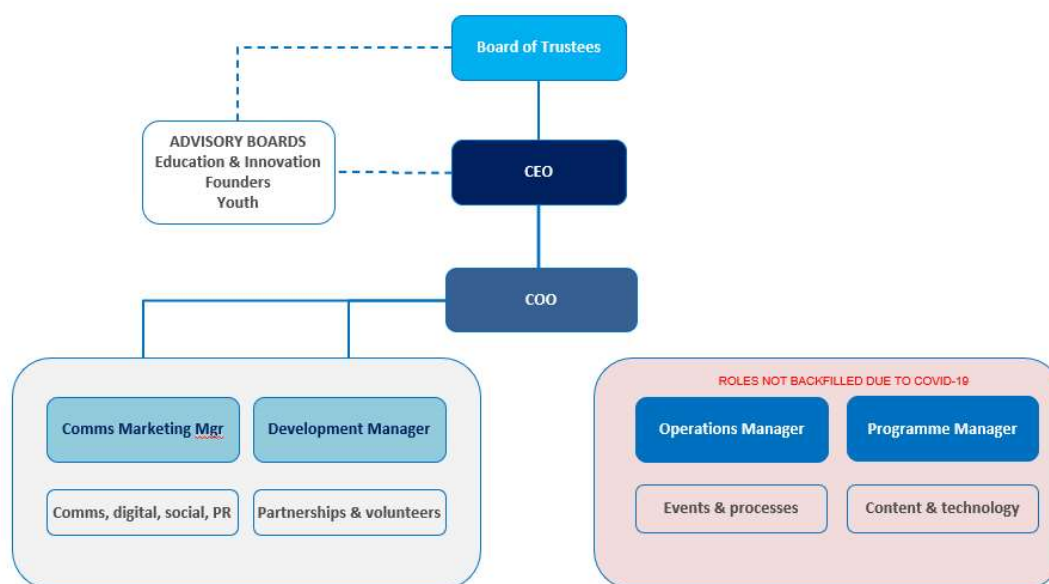
The founding CEO, Ed Cervantes-Watson was appointed by the trustees in late March 2018 bringing a wealth of operational and strategic experience built within the commercial and third sectors. As Head of Innovation at Cancer Research UK, the country's largest fundraising charity, his role spanned both income generation - responsible for developing award-winning products; and core purpose - disrupting the charity's funding model and driving collaboration on a global scale.

This blended experience of income generation and core purpose provides the charity with a dynamic CEO skilled in product development, fundraising, customer journeys, events, marketing, communications, insight, evaluation, governance, finance and HR. Under the CEO's leadership the charity has quickly proven its operating model, built a team of highly capable operators, and established a reputation for delivering impact at pace.

Operations Director

Muktar Ali has over a decade of hands-on experience with the FIRST programme, participating in the programme himself at school, mentoring teams, prior to becoming Head of Robotics at the American School in London (ASL) – where alongside his teaching responsibilities he delivered the full suite of FIRST programmes to hundreds of learners, establishing ASL as a robotics education leader in the UK.

Figure 4.0 Organogram as of 31 Mar 2021



Culture

From the outset the charity has developed a culture which puts employee well-being front and centre. At the heart of this is a truly flexible working environment owned and managed by employees. Pre-pandemic this typically saw employees work flexible hours including at least one day per week remotely - reducing travel costs and the stress of commuting. The approach empowers employees to own their workload, creating a relaxed yet highly productive environment built on trust.

FIRST UK

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The charity now facilitates a hybrid working model where employees can choose to work from home or independently from a workspace. They also come together at least once per week for a team co-working day at different venues. This model is flexible, highly cost effective, provides variety and choice whilst maintaining team dynamic and wellbeing.

Trustees

The founding Trustees, who are also the directors for the purpose of company law, and who served during the period and up to the date of signature of the financial statements were:

Mr V Bhargava
N Bapna

None of the trustees has any beneficial interest in the company. All Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Advisory Boards

The charity continues to explore the recruitment of trusted advisers sitting across three boards:

- **Education and Innovation** (strategy, operations, reach, impact, evaluation)
- **Founders** (investment, influence, amplification)
- **Youth** (diversity, inclusion, experience, alumni, impact)

The structure and composition of Trustees and terms of references will be reviewed during 2021-22. The charity may co-opt some trustees from any Advisory Boards assembled to provide continuity of oversight and the breadth and depth of expertise desired.

FIRST UK

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FIRST UK

I report to the trustees on my examination of the financial statements of First UK (the charity) for the year ended 31 March 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Nathaniel Davidson BA(Hons) ACA
Lopian Gross Barnett & Co

1st Floor, Cloister House
Riverside
New Bailey Street
Manchester
M3 5FS

Dated:

FIRST UK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
<u>Income from:</u>							
Donations and legacies	3	147,005	159,692	306,697	685,772	164,638	850,410
Charitable activities	4	27,990	-	27,990	102,655	-	102,655
Total income		174,995	159,692	334,687	788,427	164,638	953,065
<u>Expenditure on:</u>							
Raising funds	5	4,086	-	4,086	74,007	-	74,007
Charitable activities	6	262,498	126,394	388,892	667,081	164,638	831,719
Total resources expended		266,584	126,394	392,978	741,088	164,638	905,726
Net (expenditure)/income for the year/							
Net movement in funds		(91,589)	33,298	(58,291)	47,339	-	47,339
Fund balances at 1 April 2020		166,239	-	166,239	118,900	-	118,900
Fund balances at 31 March 2021		74,650	33,298	107,948	166,239	-	166,239

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

FIRST UK

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		11,031		12,978
Current assets					
Debtors	11	7,289		190,252	
Cash at bank and in hand		98,738		39,790	
		<u>106,027</u>		<u>230,042</u>	
Creditors: amounts falling due within one year	12	<u>(9,110)</u>		<u>(76,781)</u>	
Net current assets			96,917		153,261
Total assets less current liabilities			<u>107,948</u>		<u>166,239</u>
Income funds					
Restricted funds			33,298		-
Unrestricted funds			74,650		166,239
			<u>107,948</u>		<u>166,239</u>

The financial statements were approved by the Trustees on

.....
V Bhargava
Trustee

FIRST UK

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	17		58,948		39,404
Investing activities					
Purchase of tangible fixed assets		-		(12,458)	
Net cash used in investing activities			-		(12,458)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			58,948		26,946
Cash and cash equivalents at beginning of year			39,790		12,844
Cash and cash equivalents at end of year			98,738		39,790

FIRST UK

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

First UK is a Charitable Incorporated Organisation in England and Wales.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used and are set out in grant agreements issued by the funder, agreed to by the charity and reported against when the funds have been expended or the grant term has concluded.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

FIRST UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Cost of generating funds comprise the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be directly attributed to particular headings; they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

FIRST UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 Brexit

The trustees have assessed the impact of Brexit on the charity and conclude that there were no impacts as a result of Brexit which require disclosure at the balance sheet date

FIRST UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

FIRST UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	25,000	75,000	100,000	685,772	-	685,772
Grants	122,005	84,692	206,697	-	164,638	164,638
	<u>147,005</u>	<u>159,692</u>	<u>306,697</u>	<u>685,772</u>	<u>164,638</u>	<u>850,410</u>
Grants receivable for core activities						
Coronavirus Job Retention Scheme	102,051	-	102,051	-	-	-
Other General Grants	19,954	84,692	104,646	-	164,638	164,638
	<u>122,005</u>	<u>84,692</u>	<u>206,697</u>	<u>-</u>	<u>164,638</u>	<u>164,638</u>

4 Charitable activities

	Major Events 2021 £	Major Events 2020 £
Equipment sales	10,387	10,112
Registration fees	14,255	19,299
Other income	3,348	73,244
	<u>27,990</u>	<u>102,655</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Branding	2,163	35,250
Consultant fees	-	1,650
Digital development and maintenance	-	9,017
PR agency fees	1,500	21,350
Advertising	-	2,411
Other fundraising costs	423	4,329
	<hr/>	<hr/>
Fundraising and publicity	4,086	74,007
	<hr/>	<hr/>
	4,086	74,007
	<hr/>	<hr/>

'Branding' covers the costs of educational content design and producing collateral for events.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

	Programme delivery costs 2021 £	Direct activity 2021 £	Major events 2021 £	Total 2021 £	Total 2020 £
Staff costs	188,289	58,424	-	246,713	323,027
Depreciation and impairment	1,947	-	-	1,947	2,290
(Surplus)/ deficit on disposal of fixed assets	-	-	-	-	1
Equipment - Robotics & Technical	-	62,259	-	62,259	114,779
Computer software and maintenance	4,352	-	-	4,352	15,922
Dues and subscriptions	3,842	-	-	3,842	3,759
Food & Drink	-	-	-	-	15,102
Telephone	143	-	-	143	778
Office equipment	354	-	-	354	7,076
Office insurance	3,500	-	-	3,500	3,267
Direct Costs	-	5,042	-	5,042	9,769
Postage & Stationery	1,077	1,770	-	2,847	3,361
Other	4,203	552	-	4,755	72,159
Travel and Subsistence	60	799	-	859	51,495
Merchandise costs	-	-	-	-	595
Storage & Distribution	-	7,439	-	7,439	34,872
Rent and service charges	18,117	-	-	18,117	89,297
	<u>225,884</u>	<u>136,285</u>	<u>-</u>	<u>362,169</u>	<u>747,549</u>
Share of support costs (see note 7)	25,067	-	-	25,067	78,218
Share of governance costs (see note 7)	1,656	-	-	1,656	5,952
	<u>252,607</u>	<u>136,285</u>	<u>-</u>	<u>388,892</u>	<u>831,719</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

Analysis by fund

Unrestricted funds	252,607	9,891	-	262,498	667,081
Restricted funds	-	126,394	-	126,394	164,638
	<u>252,607</u>	<u>136,285</u>	<u>-</u>	<u>388,892</u>	<u>831,719</u>

For the year ended 31 March 2020

Unrestricted funds	564,540	38,502	64,039		667,081
Restricted funds	-	164,638	-		164,638
	<u>564,540</u>	<u>203,140</u>	<u>64,039</u>		<u>831,719</u>

7 Support costs

	Support costs £	Governance costs £	2021 Support costs £	Governance costs £	2020 £
Legal and professional	24,525	600	25,125	30,426	36,333
Other	-	-	-	78	78
Professional fees	542	-	542	47,714	47,714
Foreign Exchange	-	1,056	1,056	-	45
	<u>25,067</u>	<u>1,656</u>	<u>26,723</u>	<u>78,218</u>	<u>84,170</u>
Analysed between Charitable activities	<u>25,067</u>	<u>1,656</u>	<u>26,723</u>	<u>78,218</u>	<u>84,170</u>

Governance costs includes payments to the auditors of £1,656 for audit fees.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

None of the trustees (or any persons connected with them) received any reimbursement of expenses from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
<u>6</u>	<u>7</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Employees

Employment costs	2021 £	2020 £
Wages and salaries	222,875	288,651
Social security costs	18,786	28,529
Other pension costs	5,052	5,847
	<u>246,713</u>	<u>323,027</u>

There were no employees whose annual remuneration was more than £60,000.

10 Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2020	15,692
At 31 March 2021	<u>15,692</u>
Depreciation and impairment	
At 1 April 2020	2,714
Depreciation charged in the year	1,947
At 31 March 2021	<u>4,661</u>
Carrying amount	
At 31 March 2021	<u>11,031</u>
At 31 March 2020	<u>12,978</u>

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	6,411	107,786
Other debtors	-	81,600
Prepayments and accrued income	878	866
	<u>7,289</u>	<u>190,252</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	189	-
Trade creditors	294	49,433
Accruals and deferred income	8,627	27,348
	<u>9,110</u>	<u>76,781</u>

13 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £5,052 (2020 - £5,847).

14 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Tangible assets	11,031	-	11,031	12,978	-	12,978
Current assets/(liabilities)	96,917	-	96,917	153,261	-	153,261
	<u>107,948</u>	<u>-</u>	<u>107,948</u>	<u>166,239</u>	<u>-</u>	<u>166,239</u>

15 Covid-19

The trustees have closely monitored the Government guidance in response to the Covid-19 Pandemic and have implemented measures in line with Governmental guidelines. The trustees have assessed the impact of Covid-19 on the charity and conclude that the donations received decreased dramatically predominantly due to Covid and the charity also received furlough income.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Recharged expenditure	
	2021 £	2020 £
Entities in which a trustee is also a director	18,000	93,551
	<u>18,000</u>	<u>93,551</u>

There were no further related party transactions which require disclosure.

17 Cash generated from operations

	2021 £	2020 £
(Deficit)/surplus for the year	(58,291)	47,339
Adjustments for:		
Depreciation and impairment of tangible fixed assets	1,947	2,290
Movements in working capital:		
Decrease in debtors	182,963	104,840
(Decrease) in creditors	(67,671)	(115,065)
Cash generated from operations	<u>58,948</u>	<u>39,404</u>

18 Analysis of changes in net funds

The charity had no debt during the year.