

EDUCATION DEVELOPMENT TRUST

England & Wales · Charity number 270901

Details

Other names	CFBT EDUCATION TRUST, THE CENTRE FOR BRITISH TEACHERS, CFBT, CFBT EDUCATION SERVICES
Status	Registered
Legal form	Charitable company
Company number	00867944
Registered	1976-02-20
Register	View on the Charity Commission register

Contact

Address	Education Development Trust Highbridge House 16-18 Duke Street Reading RG1 4RU
Phone	01189021000
Email	corpgov@educationdevelopmenttrust.com
Website	http://www.educationdevelopmenttrust.com/

Activities

Objects: TO ADVANCE EDUCATION FOR THE PUBLIC BENEFIT TO RELIEVE UNEMPLOYMENT FOR THE BENEFIT OF THE PUBLIC IN SUCH WAYS AS MAY BE THOUGHT FIT, INCLUDING ASSISTANCE TO FIND EMPLOYMENT

Activities: The Charity seeks to advance education for the public benefit. To this end, we provide advice and consultancy services on education matters to governments and others, we teach, we provide counselling and guidance to young people and adults, we undertake or commission educational research and we provide training and support for educators.

Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training
- **Who:** Children/young People, Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** UNITED KINGDOM AND EUROPE
- Abu Dhabi
- Algeria
- Australia
- Bangladesh
- Brunei
- Central African Republic
- Dubai
- Egypt
- France
- Ghana
- Greenland
- India
- Israel
- Jamaica
- Jordan
- Kenya
- Kyrgyzstan
- Laos
- Libya
- Macedonia
- Malawi
- Malaysia
- Mexico
- Montenegro
- Morocco
- Nepal
- Norway
- Philippines
- Rwanda
- Senegal
- Seychelles
- South Africa
- South Sudan

- St Kitts And Nevis
- Syria
- Thailand
- Tunisia
- Uganda
- Vietnam
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£73,836,000	£75,264,000	£31,520,000	1062
2024-08-31	£80,388,000	£80,109,000	£33,103,000	1159
2023-08-31	£91,177,000	£90,393,000	£32,219,000	1271
2022-08-31	£89,070,000	£85,797,000	£37,932,000	1218
2021-08-31	£66,558,000	£66,540,000	£29,645,000	1096
2020-08-31	£71,158,000	£72,110,000	£27,605,000	1082

Trustees

Name	Role	Appointed
Anne Catherine Tutt		2024-05-16
Edward Muchemi Wambugu		2022-01-26
JONATHAN SIMONS		2019-09-19
Joy Louise Hutcheon		2019-05-14
Nimal Jude Hemelge		2022-01-24
Tanya Barron		2019-05-14

Linked charities

- CFBT ADVICE AND GUIDANCE LIMITED (270901-1)

Accounts



Annual Report 2024/25

Company Number: 867944

Charity Number: 270901



Introduction

The report and accounts for the 12 months ended 31 August 2025 have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' 2019 (Financial Reporting Standard 102), and the Companies Act 2006.

Contents

Chair's Report	2
CEO's Introduction	3
1. Objectives and Activities in 2024/25	4
1.1 Our purpose and values	4
1.2 Organisational Objectives 2024/25	4
1.3 Public benefit	5
2. Strategic Report	6
2.1 Strategy	6
2.2 How we work	6
2.3 Educational impact	6
2.4 Inclusion and diversity	14
2.5 Staff morale and wellbeing	15
2.6 Safeguarding	16
2.7 Stakeholder engagement	17
2.8 Financial overview	18
2.9 Reserves policy	19
2.10 Investment policy and returns	21
2.11 Energy and carbon reporting	21
2.12 Fundraising	23
2.13 Principal risks	23
2.14 Financial risks	24
2.15 Operational plans 2025/26	25
3. Structure, Governance and Management	26
3.1 Structure	26
3.2 Governance	26
3.3 Responsibilities of the Board of Trustees	29
3.4 Management	30
3.5 Staff	30
3.6 Risk management and internal controls	31
4. Reference and Administrative Details of the Charity, its Trustees and Advisers	33
4.1 Charity Details	33
4.2 Trustees	33
4.3 Members	34
4.4 President and Vice President	34
4.5 Executive	34
4.6 Bankers and professional advisers	35
5. Independent Auditor's Report to Members of Education Development Trust	36
6. Consolidated Financial Statements and Notes	41

Chair's Report

Driven by a shared purpose and unwavering commitment, we partnered with government and institutional funders to deliver transformative impact at scale once again this year. Across continents, we have strengthened early childhood education, empowered educators, and supported jobseekers and adult learners. Our work is reflected in stories of teachers reigniting their passion, children finding joy in learning, and adults gaining confidence to pursue new opportunities. These achievements, alongside inspiring partnerships and a commitment to excellence, show the power of collaboration. Thank you to everyone who makes edt's mission a reality.



Ilse Howling, edt Chair

CEO's Introduction

This year unfolded against a backdrop of global uncertainty: economic shifts, technological disruption and conflict. Education systems everywhere have been tested as never before. Yet our mission remains clear: to increase life chances by improving education and skills outcomes for all.

For nearly 60 years, edt has partnered with governments, donors, and schools worldwide, from classrooms in England to communities in rural Kenya, and from Brunei to Zimbabwe, supporting learners at every stage of their journey:

- Early childhood education
- School improvement and teacher development
- Youth career readiness and adult employability

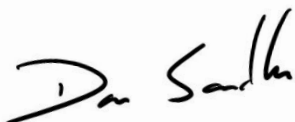
This year alone, we:

- Improved pre-school education for 200,000 children in Kenya through INSPIRED
- Trained 14,500 early years educators in England
- Provided professional development for 70,000 teachers and leaders in Zimbabwe
- Helped 54,000 unemployed adults into jobs or learning through the National Careers Service
- Achieved an 'Outstanding' Ofsted rating for our Early Career Programme

These achievements remind us that quality education is still too often seen as optional, not a right. Globally, we face immense challenges: UNESCO estimates 69 million new teachers needed by 2030, and more than 250 million children and youth remain out of school. The pandemic set back progress in many countries.

But as this year proves, we are rising to meet these challenges, building partnerships with UNICEF, the Roger Federer Foundation, Mastercard, and others. None of this would be possible without our staff, trustees, partners and supporters.

As we look ahead, let's remember: every child who finds joy in learning, every teacher who rediscovers their passion, every young person who steps confidently into the future. That is our impact.

A handwritten signature in black ink, reading 'Dan Sandhu'.

Dan Sandhu, edt CEO

1. Objectives and Activities in 2024/25

1.1 Our purpose and values

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

Our purpose

We exist to increase the life chances of individuals by improving education and skills outcomes.

Our values

- We strive for excellence
- We use evidence to shape solutions
- We make a measurable impact to improve life chances
- We embrace diversity and treat everyone with respect
- We are cost effective and deliver great value for money
- We succeed through collaboration

1.2 Organisational Objectives 2024/25

2024/25 was the first year of our 5-year strategy, edt 2030. Our 2030 strategy prioritises high-impact opportunities to diversify into new markets, builds on current propositions, and aligns organisational development for expansion beyond 2030. Our guiding purpose is to increase the life chances of individuals by improving education and skills outcomes.

Our 5-year strategic goals are below. Objectives and activity plans have been set for each goal with targets and KPIs.

Goal 1	We are externally known for what we offer and what makes us different
Goal 2	We have proof that our work leads to impact
Goal 3	Strengthen our footprint in our current key markets
Goal 4	Diversify: markets and funders
Goal 5	Establish and consistently implement high-impact cost-effective methodologies
Goal 6	Continue to represent good value for money for our clients

Our key targets for 2025/26 and achievements during the year are summarised below.

- New business: We aimed to secure significant new business income from a diverse client base and to maintain or grow our sales book value.

- We successfully diversified our client base, winning contracts from new and established funders in both UK and international markets. We fell short of our new business target due to challenging market conditions.
- Commercial: Our commercial goal was to maintain or exceed our current level of income from charitable activities and deliver a net surplus before investment.
 - Income from charitable activities declined as a result of the challenging external environment. Through disciplined cost management and successful contract delivery, we delivered a net surplus before investment.
- Delivery: Our delivery objectives included achieving 100% of the year 1 reach targets in our strategy, securing good grades in external evaluations, and meeting or exceeding impact targets for all major contracts.
 - We achieved our reach targets through our programmes. External evaluations consistently rated delivery as good or outstanding, and impact targets were met or exceeded for all major contracts.
- People: We aimed for 5% increase in our employee engagement score, talent aligned with the delivery of our strategic objectives, increased reach of our employer brand and employees agree that they are treated with fairness and respect.
 - Employee engagement rose by 2%, which represents a success in challenging circumstances. We also saw increases in employees agreeing that they are treated with fairness and respect. We set up a new employee forum and achieved Disability Confident Leader status.
- Stakeholders: Our goal was to ensure that key stakeholders are familiar with edt and our activities, that clients and partners believed in our effectiveness, and that communications are engaging.
 - Stakeholder engagement was strengthened through targeted communications and partnership activities. Key clients and partners expressed confidence in edt's effectiveness, and feedback indicated that communications were engaging and impactful. Edt's reputation and visibility among stakeholders continued to grow, supporting future business development.

1.3 Public benefit

Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and are satisfied that all of our work is for the public benefit. Our educational performance is summarised in the Strategic Report, and particularly in section 2.3.

2. Strategic Report

2.1 Strategy

We published our strategy for the five-year period 2024-2029, “edt 2030”, in August 2024. Edt 2030 outlines our priorities over the next five years and beyond. It emphasises a focus on specific end-users, funders, and territories to maximise high-impact opportunities. By prioritising how we develop as an organisation and laying strong foundations to enable us to grow, we aim to increase our impact; improving life chances around the world.

Since the publication of edt 2030, challenging market conditions have limited our opportunities for growth; however, these circumstances have only reinforced our determination to achieve our strategic goals.

2.2 How we work

We are organised in four operating activities. We deliver programmes at scale in the UK (‘UK’) and in Africa, Middle East and Asia (‘International’); we conduct research and provide education consultancy services (‘Research and Consultancy’); and we manage private schools (‘Independent Schools’).

As a not-for-profit organisation, we exist to increase life chances by improving education and skills outcomes around the world. Education is one of the most powerful levers for change. When it’s equitable, evidence-informed, and high quality, it has the power to create opportunity for everyone. For 60 years, we’ve partnered with governments, donor agencies, and school networks across the globe to strengthen education systems, shape career pathways, and support people to thrive. From classrooms to communities, early childhood to adulthood, our work delivers meaningful impact that lasts.

2.3 Educational impact

At edt, we believe in the power of education to change lives and shape futures. Despite a challenging climate, we are hugely proud that over the past year, our work has continued to positively impact learners at every stage of the educational journey – from early childhood to adult careers – as well educators at all career levels, and individuals seeking brighter futures in the workforce.

In 2025, our initiatives spanned from supporting early childhood educators in the UK, to improving foundational learning in Zimbabwe, to supporting young people’s readiness for the future in the Middle East, to helping vulnerable adults find work across England.

The last year has been marked by considerable achievements in education and skills, but also by a need to respond to uncertainties and shifting policy priorities. In February 2025, the UK

government announced its decision to cut international aid spending, from 0.5% of National Income to 0.3% by 2025. This, combined with reduced government funding for National Professional Qualifications (NPQs), the government's decision to bring National Careers Service delivery in-house, and multiple highly successful contracts coming to an end in the UK, will undoubtedly result in fewer opportunities to make a large-scale impact in the foreseeable future. At edt, we take considerable pride in the contributions we have made to increasing the life chances of countless learners, educators, and jobseekers through our work.

Early childhood education

Our vision: every child has a strong foundation through high-quality, inclusive early childhood education.

Every child deserves the foundation of high-quality early childhood education. At edt, we believe that to achieve this, we must ensure those working with the youngest learners have the skills, knowledge, and confidence to do the job they love well.

Strengthening the early years workforce in England

The Department for Education's Early Years Professional Development Programme (EYPDP) supported early years practitioners working with children aged two-to-four. Across its third phase, we supported 10,000 early years practitioners who worked with almost 120,000 children. 94% of leaders in participating settings felt the programme improved the quality of provision, and 85% of practitioners agreed that changes to their practice would impact children's development.

Addressing skills gaps and recruitment challenges

We worked with the Department for Education and local authorities to deliver Skills Bootcamps in Early Years in London and Liverpool. These intensive courses guided over 250 individuals into accelerated apprenticeships or employment in the sector. The programme received a 'Highly Commended' award at the Quality Professional Awards.

Improving foundational learning through child-centred pedagogy

In Kenya, our UK government-funded INSPIRED programme trained over 1,300 preschool teachers and 600 headteachers or centre managers. Early observations point to improvements in child-centred pedagogy and inclusive practices.

Championing early childhood education at the system level

In 2025, we trained over 300 Kenyan government officials in coaching, classroom observation, and monitoring to strengthen early childhood professional development and accountability. We also collaborated on national-level reforms to strengthen teacher training, curriculum, and assessment.

Education workforce development

Our vision: every school benefits from motivated, skilled, and supported teachers and leaders.

Education workforce development is fundamental to so much of what we do around the world. When educators are skilled and motivated, it not only improves classroom practice, but also strengthens the sector, reduces recruitment and retention crises, and ultimately supports pupils to achieve better learning outcomes.

Every year, we provide professional development opportunities to tens of thousands of educators. But for edt, it is not only about the number of people we train: it is also about the type of educators we help to shape. Our work seeks to empower educators to be the best that they can be, reigniting a passion for teaching, and creating a skilled workforce able to make a meaningful difference in children's lives.

Supporting early career teachers to thrive

The Early Career Professional Development Programme (ECPDP), now the Early Career Training Programme (ECTP), offered essential specialist support for early career teachers. 97% of teachers and 95% of mentors were satisfied. Ofsted rated the programme 'outstanding' in all areas.

The Department for Education's Future Teaching Scholars programme, designed and delivered by edt, showed strong retention rates of early career teachers in maths and physics. 90% of scholars who began initial teacher training have remained in the profession after three years, versus the national average of 73%.

Expanding career opportunities for leaders

Through the Department for Education's National Professional Qualifications (NPQs), we have empowered leaders and aspiring leaders to embed evidence-informed teaching and learning in their classrooms, departments, schools, trusts, or early years settings.

Our latest cohorts reported an overall 100% satisfaction rating, with 98.5% feeling that the programme would have a positive impact on pupil learning outcomes. 95.2% reported that the programme had positively impacted their motivation to continue their career in teaching.

Capacity building in diverse contexts

In Brunei, our CfBT programme provided 200 English language teachers and capacity-building support for almost 3,000 Bruneian teachers.

In Zimbabwe, the UK-funded TEACH programme trained over 72,000 teachers and headteachers and is estimated to have impacted the learning of over 1 million pupils. Following the training, pupils' literacy average scores increased from 2.6 out of a possible 5.0 to 3.37 and the proportion of pupils classified as innumerate decreased from 23.7% to 7.1%.

School improvement and accountability

Our vision: every school becomes a centre of excellence for learning, empowering leaders, teachers, and students alike.

From our extensive experience in raising school standards around the world, we know what makes a school effective, and how to support schools and ministries on their school improvement journeys. We apply evidence-informed models that are widely recognised and highly regarded for their impact. These models not only improve outcomes for individual students, but also support the reshaping of school accountability and quality assurance approaches – to give every school, teacher, and pupil the chance to thrive.

Improving school quality through inspections

In the UAE, our work with the Sharjah Private Education Authority (SPEA) helped drive improvements across almost 90 schools, with 68% now ranked 'good' or 'very good', compared to 0% the year before. The private schools in Dubai – where we supported inspections in partnership with the Dubai Schools and Inspections Bureau – were this year ranked in the top five globally for science performance and the top ten for mathematics.

Transforming accountability systems

On the TEACH programme in Zimbabwe, we supported the Ministry of Primary and Secondary Education in shifting inspections toward a supportive, improvement-focused model. We also introduced e-inspection tools and dashboards, enabling real-time data use for decision-making.

We have begun exciting new work in partnership with the Roger Federer Foundation to scale up a continuous early learning assessment tool (Smart Tablet Early Learning Assessment, or STELA) to all 8,000 primary schools in Zimbabwe.

Empowering schools on their improvement journeys

In the UK, our Schools Partnership Programme supported over 160 schools with a coaching-based framework.

Policy into practice

Our vision: responsive, effective, and sustainable education systems that achieve high levels of student attainment.

At edt, we bridge the gap between policy and practice: from research that identifies system challenges to supporting governments to implement reforms in classrooms. This year, our work strengthened education systems across Africa, the Middle East and Asia.

Contributing to the global knowledge base

Our research teams produced analyses on education system resilience, climate change, and the use of artificial intelligence in education datasets. Through the Global Partnership for Education's KIX initiative, we delivered a major study across eight countries that shaped GPE's research agenda for 2025.

In Rwanda, we worked with the British Council to assess the use of English as the language of learning in lower primary schools, with findings shared at UKFIET 2025 and now informing policy and practice in multilingual contexts.

Supporting policy development

Through the INSPIRED programme in Kenya, we worked with the Ministry of Education and the Presidential Working Party on draft legislation and foundational learning guidelines, as well as on reforms to teacher education, curriculum and quality assurance.

Turning policy into practice

In Rwanda, our CPD framework for UNICEF's Learning Through Play initiative was approved and operationalised, supporting a national strategy expected to reach 1.2 million children.

In Sierra Leone, our technical assistance for the Ministry of Basic and Senior Secondary Education and the Teacher Service Commission supported reforms including Radical Inclusion, school safety, teacher workforce planning and improvements to data systems. District leaders reported significant improvements in policy understanding and oversight.

Technical assistance across multiple countries

Through the Engeza hub, in partnership with the Gates Foundation, we provided support in Ethiopia, Nigeria, Rwanda, Namibia and The Gambia on curriculum improvement, teaching and learning materials, and book supply chains — work with the potential to impact more than a million learners.

Strengthening education system culture

In Brunei, our CfBT programme helped develop a national reading culture with widespread teacher engagement and the piloting of reading hubs. Across all contexts, our policy-into-practice work has helped governments build more responsive, evidence-informed and sustainable systems.

Youth career readiness

Our vision: All young people have access to meaningful post-school opportunities, supported by informed choices and future-ready skills.

As learners approach the end of their school years, we support effective school-to-work transitions, working with ministries of education, schools, and young people to provide relevant, up-to-date careers advice and guidance and skills development opportunities.

School-based career readiness

Through Inspiring Careers, we supported more than 230 schools in England, helping 24,000 pupils and 600 teachers. We provided qualified careers advisers, work experience opportunities and curriculum-embedded career education.

Feedback on the Inspiring Careers programme has been overwhelmingly positive:

- 99% of young people were happy with the support they received
- 99% of young people reported their experience as positive
- 100% of schools were satisfied with the service
- 98% of schools would recommend the service.

The programme also gained accreditation to award the Primary Standard for the Quality in Careers Standard.

Connecting young people to employers

Our West London Careers Hub supported 177 schools and colleges to connect with over 350 employers, reaching nearly 125,000 students. Schools reported universal satisfaction with the programme and its impact.

Our ASK programme reached more than 100,000 students, as well as parents and teachers, increasing understanding and interest in apprenticeships. 100% of parents reported that as a result of the ASK programme, they were more likely to discuss and support apprenticeships and other vocational routes for their children because of the programme. Following its closure, AIM London was funded by the GLA to continue the work.

The Early Connect pilot in the North East helped young people secure apprenticeships and higher education opportunities, with strong progression outcomes. By August 2025, 45% of the young people on the programme had secured apprenticeship or higher education opportunities, and a further 45% had applied for apprenticeships.

NEET prevention for school leavers

Edt's NEET prevention work in England focused on helping young people at risk of disengaging from education, employment or training through targeted, high-quality careers support. The Inspiring Careers team delivered personalised coaching through the Year of

Service, achieving 93% satisfaction, while the Future Forward initiative supported over 250 young people in West Yorkshire to overcome barriers and move closer to employment or learning, alongside mapping regional NEET provision to inform good practice.

In Dorset, specialist support for at-risk Year 10 and 11 pupils, many facing challenges around attendance, mental health, wellbeing or SEND, helped 85% sustain their post-16 education by building trust with families and shifting the focus to achieving each student's "next best step."

Helping young people to develop skills for the world of work

Our Lifelong Learners pilot in Jordan and Egypt equipped high school students and Palestinian refugees with skills in digital literacy, climate action, wellbeing, financial literacy and English communication. Following its success, the programme will expand through the Crown Prince Foundation supporting Jordanian students, United Nations Relief and Works Agency (UNRWA) for our work with Palestinian refugees, and with the Educate Me Foundation to support Egyptian high school students.

Careers, skills, and employability

Our vision: all adults are empowered to successfully access opportunities for meaningful employment.

Across the UK, edt supported adults to build skills, gain confidence and progress into meaningful work. Our programmes focused on high-quality careers advice, personalised employment support and specialist help for people facing multiple barriers.

Supporting adults into work and learning

Through the National Careers Service, we delivered advice and guidance to nearly 70,000 adults across 500 sites, with satisfaction levels above 95% in both major regions we serve. Stakeholders consistently reported that services met beneficiary needs and were of high quality.

Our Pathways to Progress programme supported over 950 economically inactive individuals in West Yorkshire, offering personalised support in areas such as confidence, health, skills and workplace readiness. Participants overwhelmingly reported improved motivation and wellbeing.

Supporting people with complex needs

We provided specialist support to individuals with SEND, refugees, or those facing health or social barriers. In Yorkshire, our Rise2Thrive programme helped participants develop skills and engage with services.

Through Refugee Assist, we supported 114 refugees with tailored guidance, language support and access to trauma and integration services, achieving 100% satisfaction.

Building the careers and skills workforce

Our Skills and Training Centre delivered high-quality training for advisers across our programmes and externally. In both the UK and Zimbabwe, participants completed the Level 4 NVQ Diploma in Advice and Guidance, with very high satisfaction and improved client outcomes reported.

Looking ahead

2025 was a hugely impactful year for edt across the huge variety of programmes and geographies that we worked in. However, in a changing and complex world, there remains much to do to improve education and skills provision, and to increase life chances for people across the globe. We see the challenges – from recruiting and retaining high-quality teachers, to ensuring effective teaching and learning in schools, to helping young people and adults navigate rapidly changing employment landscapes. We are ready to rise to these challenges and continue to use our vision, expertise, and experience to meet them.

In the months since the work described in this report, we are delighted to have begun working with a variety of new partners to do just that. These new projects include:

- working with the Roger Federer Foundation to scale up a foundational learning programme in Zimbabwe, the School Readiness Initiative
- partnering with UNICEF to provide continuous access to education for children in Gaza through the Accelerated Learning Programme
- supporting 1.1 million out-of-school young people in Rwanda to access education, through the UNICEF-led RISE Rwanda programme
- building the capacity of teachers and education leaders to prepare young people for the future in Ethiopia, in partnership with the Mastercard Foundation, on the Leaders in Teaching programme
- delivering the UK Department for Work and Pensions-funded Connect to Work programme in the North East, to provide intensive, personalised support for people moving into, and staying in, work

We have also exceeded our recruitment targets for new teachers to participate in this year's cohort of the Early Career Training Programme – a new programme building on the success of the Early Career Professional Development Programme in England – with over 4,500 early career teachers from over 1,600 schools having signed up.

We look forward to seeing what we will achieve, together with our partners, in 2026. From classrooms to communities, early years to adulthood, we are dedicated to delivering meaningful impact that lasts.

2.4 Inclusion and diversity

This year, edt was awarded the Disability Confident Leader accreditation by the UK's Department for Work and Pensions. The accreditation demonstrates our commitment to taking clear, practical steps to ensure disability inclusion is embedded throughout the employee lifestyle, and evidence that we maintain a working environment where disabled employees and those with long-term health conditions are supported, valued, and empowered to thrive.

Edt hosted an external webinar for UK employers with Evenbreak - a job board for disabled candidates, which drew on data evidencing the disparities in employment opportunities for disabled people. We canvassed employers to share (via a survey) information about their employee life cycle and barriers and adaptations for disabled employees with the aim of shaping peer-based resources to aid organisations to remove barriers and build inclusive practices.

The I&D Employee Groups, RespectAbility & Thrive that focus on disability and neurodiversity in the workplace respectively, continue to run with members actively contributing insights to the cycle of continuous improvement in our I&D work.

In March, during Neurodiversity Celebration week, online spotlight sessions were run aimed at addressing misconceptions about neurodivergence in the workplace whilst recognising the skills and talents of neurodivergent employees and their valuable contribution.

Anti-racism group, Unity, focuses on belonging and building psychological safety amongst the group members who increasingly share their experiences in this safe forum

During Pride month in June, a series of bios of global LGBTQ+ key figures was shared to raise awareness of, and celebrate inspirational leaders who advocate for equality and visibility in the various contexts that they operate in.

The I&D Group Facilitators regularly meet as a community of practice to share insights and collaborate on intersectional initiatives, including the many awareness raising activities throughout the year, that benefit everyone at edt.

I&D is a standing agenda item on the Employee Voice Forum, established this year, with I&D Group facilitators sharing views and insights with the Employee Voice Forum Reps. This feedback loop augments activities and ensures a shared responsibility for creating a safe and inclusive organisational culture.

A continuing focus remains on strengthening diversity data collection to ensure that it connects to the I&D plan and activities and enables evidence-based decisions in programme planning and workforce composition.

2.5 Staff morale and wellbeing

This year, edt signed up to the Mental Health at Work Commitment, a framework designed to help organisations create workplaces where employee wellbeing and mental health is actively supported. Signing the commitment illustrates edt's promise to being a safe place where colleagues can share their experiences and seek the support they may need, without fear of discrimination.

The Workplace Adjustment Team assists employees and line managers with assessing and implementing adjustments to enable disabled employees and those suffering with long-term physical or mental-ill health to remain in work. This approach links with our Disability Confident Leader status and demonstrates that we are an organisation that enables employees to remain at work and have access to the resources and time they need to address their health needs.

Recognising that volunteering can strengthen wellbeing and give individuals a sense of purpose and belonging, the Employee Volunteering Policy was launched in January, and Volunteering Week celebrated in June. Feedback from employees who participated in volunteering was overwhelmingly positive with employees noting how fulfilled they felt, and thankful to edt for the paid leave to volunteer and so that they could help make a positive impact in their local communities.

The global network of Mental Health First Aiders continues to meet as a community of practice, sharing insights from the issues raised with them, which informs the colleague wellbeing team's priorities and activities to build resilience and intervene swiftly to mitigate all forms of stress.

Edt was invited by FCDO's global safeguarding leads network to run mental health training for safeguarding leads who are susceptible to vicarious or secondary trauma, as part of their approach to building resilience across the safeguarding sector. This was well received by attendees with a follow-up session requested.

Responding to employee requests for a Menopause Group, this was launched on World Menopause Day in October and aims to be a supportive space for colleagues to share experiences and learn more about menopause, including the latest research, and signposting to resources and professional advice.

2.6 Safeguarding

Safeguarding arrangements are kept under review to ensure compliance with UK statutory guidance, international best practice, country-specific safeguarding frameworks and legislation, and diverse donor requirements.

A continuous improvement cycle of activity to strengthen safeguarding at programme and strategic levels is implemented and tracked to ensure progress and impact and monitored by the Corporate Safeguarding Committee.

Changes to the UK's Prevent Duty initiated a thorough review of our arrangements in fulfilling the duty, which included policy and practice review, the development of regional Prevent risk registers and the implementation of underpinning training across all levels of the organisation.

A schedule of in-house training has been implemented across the organisation from trustee and executive levels to external consultants, ranging from compliance and best practice principles to inspection safeguarding requirements and culture. The Designated Safeguarding Lead network participates in the safeguarding global community of practice and other internal forums to build competency and confidence in triaging reports and working with the central safeguarding team to manage concerns and cases.

Edt led on arrangements to bring together the private sector and INGOs that deliver FCDO contracts to participate in a session with Interpol, focusing on their initiatives to track perpetrators of abuse and perpetrator behaviour. The aim was to bring the sectors together during a downturn in FCDO funding and the resulting capacity constraints and create closer working partnerships.

Edt was invited to represent FCDO's private sector safeguarding leads network at an event that they convened to discuss the implementation of its framework, CAPSEAH (common approach to protecting against sexual exploitation, abuse and harassment) in the aid sector during a time of financial constraint. Other participants included international institutions, including the World Health Organisation and the UN, with edt contributing the voice of the private sector and our own approach to CAPSEAH and our holistic approach to duty of care across our aid programmes.

The central safeguarding team undertakes safeguarding due diligence on all new partners and works collegiately in capacity building, where required. Delivery partners in the INSPIRED programme worked closely with edt's central safeguarding team to develop ways of working and strengthen their safeguarding governance. Capacity building work continues to be a focus for FCDO and other donors and is a substantive element of the central safeguarding team's work.

Taking a culturally sensitive approach and working closely with the business development and research and consultancy teams in assessing safeguarding risks and broader duty of care issues. This enables us to take an informed position on mitigating and managing risks inherent in our work and ensuring that emerging and new risks are assessed.

Sexual harassment in the workplace training has run throughout the year, which underpins edt's new Sexual Harassment in the Workplace Policy and risk assessment, ensuring compliance with the new preventative duty under the Equality Act. Further activity to fully implement the policy is ongoing.

2.7 Stakeholder engagement

As directors of the company, the Trustees have a statutory duty under section 172(1) of the Companies Act 2006 to promote the success of the Charity. In fulfilling this duty, they must have regard to a range of factors, including:

- The likely long-term consequences of decisions;
- The interests of employees;
- The need to foster relationships with key stakeholders, which for EDT include clients and funders, partners, employees, suppliers, school pupils and their parents or carers, programme participants, and the communities we serve;
- The impact of the organisation's operations on the community and the environment;
- The desirability of maintaining a reputation for high standards of business conduct;
- The need to act fairly as between members of the Charity.

Day-to-day management and decision-making are delegated to the Chief Executive Officer and Executive Team, who operate within the strategic framework and policies approved by the Trustees. The Board receives regular updates on performance, risk, and strategic priorities at each meeting, and policies are reviewed periodically by the Board or its committees. This governance structure ensures that, in promoting the success of the Charity, due regard is given to the factors set out in Section 172.

How Trustees Engage with Stakeholders

Throughout 2024/25, the Board demonstrated its commitment to stakeholder engagement through a series of significant decisions and discussions:

- Strategic Direction: Trustees worked closely with the Executive Team on the operationalisation of 'edt 2030', the five-year strategy endorsed in July 2024. This process involved extensive consideration of long-term impacts on staff, programme participants, and funders, as well as alignment with charitable objectives and public benefit. Trustees reviewed market analysis and stakeholder feedback to ensure the strategy reflects client needs and sector trends.

- **Safeguarding and Duty of Care:** The Board endorsed measures to strengthen safeguarding for programme participants and school pupils and monitored geopolitical risks affecting international programmes to ensure duty of care obligations were met.
- **Employee Engagement and Wellbeing:** Trustees considered staff sentiment during organisational restructuring and supported initiatives such as the Employee Forum to enhance transparency and engagement. Actions arising from staff surveys informed decisions on wellbeing and organisational culture.
- **Financial Sustainability:** The Board approved cost-saving measures and monitored progress against financial targets to ensure long-term stability. Trustees also discussed diversification of income streams and investment priorities to strengthen resilience.
- **Governance and Policy Updates:** Trustees reviewed governance frameworks, including the Scheme of Delegation, and approved updates to policies such as anti-slavery and expenses, reflecting the organisation's commitment to ethical standards and stakeholder trust.

Embedding Stakeholder Perspectives

In reviewing our organisational vision, purpose, and values, Trustees sought to develop statements that inspire clients, partners, and staff while remaining aligned to our charitable objects and public benefit status. The market review underpinning the strategy considered the views of funders and clients across our geographical markets. Trustees also had regard to the wider agenda, including the UN Sustainable Development Goals and the UN Global Compact, and the need to foster relationships with key funders and programme participants.

Through these actions, the Board has demonstrated how stakeholder engagement is embedded in decision-making and governance. By integrating stakeholder perspectives into strategic planning, safeguarding, financial management, and policy development, Trustees ensure that edt continues to deliver public benefit and maintain high standards of conduct.

2.8 Financial overview

Edt is an international organisation with 1,062 staff worldwide and income of £73.8m in 2024/25, and net assets of £31.5m and group free reserves of £23.2m as at 31 August 2025.

Our income is generated by winning education-related contracts from governments and public or private bodies. Our business model is built on the principle of full cost recovery: any activity must recover all its attributable cost. This enables us to be financially sustainable and generate sufficient funds to invest in our sustainability through investment in our knowledge and methods, business development, brand, enabling infrastructure, and our public research.

The year-on-year decrease in income of £6.6m was primarily due to contracts in the UK funded by the Department for Education reaching their expected conclusion, a reduction in the number of school inspections carried out by the UAE and the sale of the International

School of Cape Town (ISCT) part-way through the year. We were £11.6m below our target for income from charitable activities and £0.4m for net contribution from charitable activities as a result of new business in the Middle East and Sub-Saharan Africa not being tendered and the sale of ISCT. Charity reserves were flat year-on-year and Group reserves decreased £1.2m. However, year-on-year Charity and Group free reserves both increased.

The Group results for the year show net expenditure before investment, pension and exchange gains and losses of £1.4m (2023/24: £0.3m net income). Total income is £73.8m, a decrease of £6.6m from 2023/24. After gains on investments of £0.9m (2023/24: £1.0m), actuarial losses on defined benefit pension schemes of £0.1m (2023/24: £0.1m) and exchange losses on conversion of subsidiaries of £0.1m (2023/24: £43k), and after eliminating the net surplus attributable to minority interests of £0.5m (2023/24: £0.5m) the net decrease in funds for the year is £1.2m (2023/24: increase of £0.6m).

Defined benefit pension schemes are in surplus at year-end but we have not recognised net pension assets for all defined benefit schemes on the basis that recoverability of the assets in the future is too remote.

The total assets less current liabilities of the Group amount to £31.7m (2023/24: £33.7m). The net assets of the Group are £31.5m (2023/24: £33.1m). For the Charity, net assets of £24.3m are reported (2023/24: £24.3m). The defined benefit pension scheme accounting balance is £Nil (2023/24: £Nil).

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

2.9 Reserves policy

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

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

As a result of a review of the reserves policy by the Board of Trustees in November 2025, two additional categories for which edt holds reserves have been added, increasing the level of Charity free reserves that is considered adequate for 2025/26 by £4.9m and £1.3m respectively:

- To manage the need to hold reserves to protect against income volatility and insecurity
- To manage the potential need to finance net losses during periods of contraction

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

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

We set a budget and a 3-year plan annually. The Board of Trustees and the Executive actively monitor financial results against the budget on a monthly basis. Regular forecasts with associated risks and opportunities are produced for the current financial year, to identify actions to optimise financial performance by mitigating risks and realising opportunities.

We monitor solvency by projecting income, net income, free reserves and cash to August 2027. We have reviewed this analysis on a regular basis up to the date of signing the report. We use a range of scenarios to stress test cash and reserves. This testing shows that we have adequate headroom for cash and a strong balance sheet. On this basis, while an amount of uncertainty about the volume and timing of new business exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern.

On 31 August 2025 free reserves were £16.1m for the Charity (2023/24: £14.0m) and £23.2m for the Group (2023/24: £22.0m). These amounts compare with budget figures set at the beginning of the financial year of £9.2m and £17.8m respectively. They were in line with our dynamic financial planning, and so were at a level that is adequate to meet continuously evolving requirements, including a £0.5m investment in technology in 2025/26. The increase in free reserves during the year was driven by the proceeds from the sale of the International School of Cape Town and Oakfield Preparatory School, dividends from subsidiaries and gains from financial investments.

Budget figures for the minimum level of free reserves for 2025/26 are £9.6m for the Charity and £15.8m for the Group.

2.10 Investment policy and returns

Our investment policy is to align with our reserves policy by balancing the portfolio between capital maintenance with low- to medium-risk returns over the medium term. We manage investment risk by pooling financial investments in two tiers. Tier 1 aims to represent the general funds minimum reserves requirement and is held in cash and cash equivalents. Tier 2 aims to represent the balance of financial resources in general and restricted funds and is held in balanced investment funds.

The Board of Trustees has wide investment powers and has delegated responsibility for the management of the portfolio, within the agreed risk profile, to selected investment managers. Our policy has an ethical component under which, while having regard to the requirements of charity law to maximise returns, we seek to avoid investing in activities contradictory to our objectives. Trustees periodically review implementation of the policy in consultation with the investment managers. The financial performance component of return on investment is measured against benchmark weighted indices. Historic performance against benchmarks is shown in the table below.

Investment manager	1 Year		3 Years		5 Years	
	Actual	Benchmark	Actual	Benchmark	Actual	Benchmark
Newton (to 30/09/25)	7.4%	12.7%	10.0%	13.8%	9.2%	10.7%
LGIM (to 31/08/25)	7.7%	7.0%	7.0%	9.4%	6.0%	8.9%

2.11 Energy and carbon reporting

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

Energy Use and Carbon Emissions Disclosure

Primary Statement for 2024/25

	2024/25 Energy Consumption (KWh)	2024/25 Emissions (tCO ₂ e)	2023/24 Emissions (tCO ₂ e)	% Change
Electricity	290,707	51.46	71.92	-28.5%
Gas	424,050	77.58	89.87	-13.7%
Transport Fuels	160,055	37.65	36.97	+1.7%
Gross Annual Total	874,812	166.69	198.76	-16.1%
Intensity Metric (Headcount)		705	737	-4.3%
Total tCO ₂ e/head		0.24	0.27	-11.1%
Qualifying Green Tariffs	287,238	50.85	71.58	-16.9%
Net Annual Total	587,574	115.84	127.18	-10.4%

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

GHG Emissions	2024/25 Energy Consumption (KWh)	2024/25 Emissions (tCO ₂ e)	2023/24 Emissions (tCO ₂ e)	% Change
Scope 1*	427,788	78.93	91.10	-13.4%
Scope 2 (location based)	290,707	51.46	71.92	-28.4%
Scope 2 (market based)	3,469	0.61	0.33	+84.8%
Scope 3	156,317	36.30	35.74	-1.6%
Total (location based)	874,812	166.69	198.76	-16.0%
Total (market based)	587,574	115.84	127.18	-8.9%

* Transport fuel consumption and mains gas included, fugitive emissions were monitored but not released

This is the sixth year of GHG reporting and is aligned with the 2024/25 financial year. The first year's report in 2019/20 forms the baseline year. The baseline year was formed during the Covid-19 pandemic and as such comparisons to this and future years may be skewed.

The intensity metric chosen is employee numbers (taken as a monthly average). This was chosen as the most suitable metric as the organisation has both schools and offices within the UK and relates well to any changes in the energy consumption and associated carbon emissions.

We have no qualifying carbon offsets during this financial period. Within the UK, all directly sourced electricity that the organisation procures is from REGO-backed or 100% Carbon offset (Kyoto Protocol). We have also taken account of any landlord procured electricity from renewable sources. This has reduced gross emissions from the consumption of purchased electricity via a qualifying green electricity tariff by over 99%, equating to a carbon saving of 71.6 tonnes of CO₂e for this financial year.

Energy Efficiency Narrative

During the reporting year we have undertaken the following activity which has or will have a direct impact on the energy efficiency of the organisation.

- Achieved ISO14001:2015 accreditation for our UK Operations Environmental Management Systems (excluding edt's independent schools).
- Reviewed and updated our Carbon Reduction Plan with existing commitment to Net Zero by 2040.
- Established a medium term objective to reduce Scope 1 and 2 emissions and a short term objective to increase proportion of waste recycled.
- Launched a new Environmental Policy and Waste Management procedure.
- Implemented food recycling across our UK offices and schools.
- Continued to review the real estate portfolio disposing of a further leased office space and relocating to a smaller serviced environment.

- Completed the LED upgrade across our school portfolio.
- Completed the TRV installation at Oakfield Preparatory School.
- Developed an internal Environmental Awareness video for employees, including information on our environmental objectives and how all colleagues can contribute to those objectives.

To reduce energy consumption, cost and carbon emissions, we will continue our existing good practices and implement further energy conservation measures in the next 12-month period, in line with our Carbon Reduction Plan.

2.12 Fundraising

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

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

2.13 Principal risks

The top corporate risks facing the Group, and associated measures for managing those, are:

Risk identified	Further managing actions
Failure to achieve strategic growth objectives and align organisational size accordingly undermines long-term financial stability	Implement lean operating model, embed business management system and increase tech automation and process engineering to increase efficiency
National Careers Service moving in house to DWP from September 2026	Optimise transfer of staff and programme to DWP on exit
Implementation of UK Economic Crime Act	Manager training, policy updates and preparation for Companies House digital filing
Changes to tax rates and employment practices in the UK	Review ways of working, process and digital efficiencies to maintain commercial advantage
Reduction in programmes funded by UK DfE	Pursue client diversification in the UK including decentralised contracts
Major compliance failure (statutory, regulatory)	Enhanced systems/controls designed around compliance requirements
Major security incident in fragile /conflict-affected region	Duty of care policies and procedures Security framework in place in high-risk contexts
Major safeguarding incident	Continuous focus on safeguarding monitoring and enhancement
IT security breach	Continued implementation of roadmap of tech security enhancements

2.14 Financial risks

The following sets out the risk management principles applied to certain types of financial risks.

Liquidity

The Group retains sufficient cash funds to meet the day-to-day needs of the organisation and invests its remaining reserves in longer-term investments to maximise returns. The Group's financing objective is to locate funds that are surplus to operational requirements in the Charity (the parent entity). Subsidiaries provide regular financing plans and proposals for repatriation of surplus funds for approval by the Charity.

Financial market

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

Credit

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

Foreign exchange

Due to the international nature of its activities, the Group's reported reserves, net assets and gearing are all affected by foreign exchange movements. By default, currency exposures are minimised by denominating transactions in GBP and / or denominating cash in- and out-flows in the same currency. Net exposures are identified, and appropriate management approaches are put in place on a case-by-case basis. The Group does not currently have any currency derivative instruments in place.

Procurement

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

2.15 Operational plans 2025/26

2025/26 is the second year of our 5-year strategy. Our edt 2030 strategy prioritises high-impact opportunities to diversify into new markets, builds on current propositions, and aligns organisational development for expansion beyond 2030. Our guiding purpose is to increase the life chances of individuals by improving education and skills outcomes.

As a result of the challenging external market our targets for 2025/26 are more tactical:

- Deliver a defined careers, employability and skills proposition in England aligned with government priorities enhanced by our expertise, reputation and influence.
- Maximise the value and long-term impact of the next Brunei English Language Teachers agreement.
- Maintain excellence in Early Career Teaching Programme, leveraging the evidence of programme impact and digital learning technology in UK and International markets.
- Test the Sub-Saharan Africa Foundations delivery model by successfully implementing programmes funded by Foundations with clear evaluation metrics.
- Secure a portfolio of Inspection contracts and clarify a school improvement offering in the Middle East.

3. Structure, Governance and Management

3.1 Structure

Education Development Trust is a charity registered in England and Wales and a company limited by guarantee. It has international and UK trading subsidiaries. We deliver education programmes to governments and donor agencies, provide education reform consultancy services, run a small group of independent (private) schools and invest in a programme of education research. During the year, we transferred one of our UK schools, Oakfield Preparatory School, to another proprietor.

In Brunei, CfBT Education Services (B) Sdn Bhd, a majority-owned subsidiary, is engaged in the supply of education system reform services and English language teachers to the Sultanate's public school system. The principal activities of the edt Middle East Educational Consultancy LLC, registered in Abu Dhabi, are to provide educational consultancy and support for schools. The principal objective of Education Development Zimbabwe (Private) Ltd, registered in Harare, is to advance education for the public benefit throughout Zimbabwe. The principal activity of the International School of Cape Town (Pty) Ltd, registered in South Africa is to run an independent school in Cape Town. During the year, we completed the sale of the International School of Cape Town to another proprietor.

3.2 Governance

Education Development Trust was incorporated on 31 December 1965 and received charitable status on 20 February 1976. The Charity is governed by its Articles of Association, last amended in May 2024.

Board structure

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

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

- The Audit and Finance Committee meets four times a year as a minimum. The committee provides an independent oversight of the Group's systems of internal control, risk management and compliance. It also monitors the Group's financial policies and financial management.

- The Education Impact Committee meets three times a year as a minimum to review the educational impact of the organisation's activities. It also has oversight of the public research programme and UK independent schools.
- The People, Culture and Remuneration Committee meets three times a year. It has delegated responsibility and strategic oversight on matters related to people and culture across the organisation, including oversight of the salary and benefits packages of the Executive, the attraction and retention of talent, the development of a high performing workforce, ensuring a positive inclusive work environment where all employees feel valued and respected, and the review of global employee engagement survey outcomes and action plans. It makes recommendations to the Board of Trustees on the remuneration and benefits for the Executive, commissioning external salary benchmarking on a bi-annual basis.
- The Corporate Safeguarding Committee meets three times a year. It provides the Board of Trustees with assurance and evidence that we are meeting the applicable core regulations and exercising a duty of care. The Corporate Safeguarding Committee is advised immediately of any emerging safeguarding cases by the Head of Safeguarding & Inclusion through our Chief Executive Officer and is kept informed throughout the case management process.

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

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

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

The Operational Committee considers low risk matters delegated by the Board of Trustees and the administration of matters already delegated by the Board of Trustees.

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

Appointment and role of trustees

Applications for new trustees are sought by public advertisement including the internet, through external advisers and through personal contact. The Nominations Committee interviews all potential trustees and successful applicants are put forward for election by the membership of the charitable company. Trustees serve up to two terms of four years. All new trustees are supported through an induction process, which includes meetings with the Chief

Executive Officer, Corporate Governance team and operational Directors, as well as written induction materials and relevant training. Trustees are subject to a performance management process where individual training needs are identified, and the Board carries out a self-evaluation periodically and in line with best practice. Trustees are also encouraged to engage with our operational activities through visits to programmes or knowledge-sharing events.

Trustee indemnity insurance

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

Application of the Charity Governance Code

The Board remains committed to the newly updated Charity Governance Code (2025) as a framework for best practice. Trustees invest in understanding their responsibilities and legal duties, with a self-assessment against the new Code planned for 2026. Governance arrangements are regularly reviewed to ensure they are effective for a large charitable company operating on a commercial basis. The following highlight how edt is currently applying each of the Code's eight principles:

1. Foundation Principle: Trustees dedicate time to induction and ongoing learning, seek legal and independent advice as needed, and uphold high standards of governance—ensuring the Board's role and duties are clearly understood and valued.
2. Organisational Purpose: The Board adapts strategy to reflect the changing client base and the growing role of foundations, alongside the long-standing role of governments, and holds dedicated awayday sessions to keep EDT's strategy forward-looking and aligned with sector opportunities.
3. Leadership: The Board provides effective support and challenge to the executive team and has strengthened committee terms of reference to clarify roles and responsibilities.
4. Ethics and Culture: Trustees receive annual safeguarding training, reinforcing their responsibilities and helping ensure edt provides a safe and trusted environment for all.
5. Decision Making: The Board monitors developments in the external environment to keep strategic priorities responsive to sector changes, and maintains a strong focus on customer satisfaction, with trustees actively engaged in Ofsted inspections.
6. Managing Resources and Risks: The Board ensures that expenditure is aligned with income to safeguard financial sustainability, while adapting to new challenges and opportunities.
7. Equity, Diversity and Inclusion: The Board is committed to fostering an inclusive culture and seeks diverse perspectives to inform decision making. Through one of its committees, the Board reviews the inclusion and diversity plan to ensure edt is a

workplace where everyone feels they belong, can thrive, and can contribute to the organisation's success.

8. Board Effectiveness: Trustees take part in a robust performance review process and regular board evaluations, supported by independent membership committees, to ensure the Board remains effective, diverse, and well-equipped to guide edt's future.

UN Global Compact

We demonstrate our commitment to the ten principles of the UN Global Compact by ensuring that they form part of our strategy, culture and day-to-day operations, alongside the Sustainable Development Goals. Our Letter of Commitment and latest Communication on Engagement are both available on unglobalcompact.org.

3.3 Responsibilities of the Board of Trustees

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

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

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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

The Board of Trustees is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

3.4 Management

During the period, the activity of the Charity was organised in four operational areas:

- UK: This activity brings together our large-scale UK programmes. The key components of this area are UK Education and UK Skills (including Employability and Careers).
- International: This activity brings together our large-scale programmes outside the UK. The key components of this area are the Middle East and Asia region and the Sub-Saharan Africa region.
- Research & Consultancy: This activity incorporates our consultancy business and our research. This area also manages the Alexandria Schools Trust restricted fund.
- Independent Schools: This area includes our independent (private) schools: two of our three schools were sold during the year.

3.5 Staff

During the period under review, we employed an average of approximately 1,062 staff worldwide, and experienced considerable organisational change as we managed transition within our portfolio of contracts. Change was also delivered through the implementation of the new executive leadership team and realigning activities within the business to effectively position the business for the delivery of the new strategy, in particular reshaping the UK and International directorates and centralising our core support functions.

We are a Disability Confident Leader employer which reinforces our full commitment to ensuring we support an environment where all staff can thrive. Our inclusion and diversity special interest groups have continued to provide valuable feedback and direction to support our inclusion and diversity strategy.

This year we launched a new Employee Voice Forum providing an invaluable channel to engage, inform and consult with employees across the global business. Meeting on a regular basis, the forum has provided an opportunity to share key business information, access feedback from staff and work collaboratively on projects to further improve working life at edt.

We continue to take a proactive approach to employee engagement and partnered with Gallup for a third year to ensure that we respond to previous feedback and create a working

environment in which all colleagues can thrive and achieve their full potential. 2025/26 results were very positive, with 82% participation (up from 64% in 2024/25), an increase in the mean Engagement Level to 4.02 (3.93 in 2023/24). Accountability scores also increased meaning staff saw action and improvement being taken as a result of the outputs of the previous survey. We are using these insights to develop further engagement strategies in the coming year, working in partnership with teams across the business to develop impactful improvement action plans.

This year we also relaunched our organisational values, reviewing these as a business and involving staff through workshops and feedback sessions. The values have evolved to reflect our commitment to striving for excellent, using evidence to shape solutions, making a measurable impact to improve life chances, embracing diversity and treating everyone with respect, succeeding through collaboration and delivering great value for money.

3.6 Risk management and internal controls

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

Risk management

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

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

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

Internal control

The Audit and Finance Committee provides independent oversight of the effectiveness of the systems of internal control and is responsible for reviewing and approving the annual internal audit programme, reviewing the key findings of the internal audit reports as well as monitoring the implementation of accepted recommendations. The committee also meets at least twice a year with the external auditors, both with and without management, to discuss the annual statutory audit and any internal control weaknesses identified in the management letter.

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

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

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

The Trustees' Annual Report and Strategic Report was approved by the Board of Trustees on 19th February 2026 and signed on its behalf by:



Ilse Howling
Chair

19th February 2026

4. Reference and Administrative Details of the Charity, its Trustees and Advisers

4.1 Charity Details

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

4.2 Trustees

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

- Ilse Howling – Chair; Chair of Nominations Committee; People, Culture and Remuneration Committee; Operational Committee
- Tanya Barron – Chair of Education Impact Committee; Chair of Corporate Safeguarding Committee; Audit and Finance Committee; People, Culture and Remuneration Committee
- Timothy Coulson (to 7 September 2025)
- Julia Grant (to 22 May 2025)
- Nimal Hemelge – Audit and Finance Committee
- Joy Hutcheon – Chair of People, Culture and Remuneration Committee; Audit and Finance Committee; Nominations Committee
- Angela McFarlane (to 22 May 2025)
- Jonathan Simons – Education Impact Committee
- Anne Tutt – Chair of Audit and Finance Committee; Operational Committee
- Muchemi Wambugu – Education Impact Committee

4.3 Members

Currently Education Development Trust has 31 members. The members take an active role in our work and share their educational experience and expertise for the benefit of edt. The membership appoints the trustees and is responsible for reviewing the work of edt, principally at the Annual General Meeting.

4.4 President and Vice President

Sara Hodson is edt's President. Robert Humphreys was appointed edt's Vice President on 22 May 2025, having previously served as a trustee of edt.

4.5 Executive

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

- Dan Sandhu (Chief Executive Officer)
- Mick Dyson (Chief Financial Officer)
- Sarah Farquhar (Chief Operating Officer) from 16 June 2025; previously Chief People Officer
- Tony McAleavy (Chief Education and Skills Officer)

The following were departing members of the Executive during the year:

- Kurt Weideling (Chief Digital and Information Officer) to 13 June 2025
- Fadi Khalek (Managing Director International) to 6 June 2025
- Ross Anderson (Managing Director UK) to 13 June 2025
- Amy Parker-Dixon (Chief Marketing Officer) from 24 February to 31 December 2025

4.6 Bankers and professional advisers

Bankers	Lloyds Bank Plc 24 Broad Street Reading RG1 2BT	Auditor	Crowe U.K. LLP 4 th Floor, St James House St James' Square Cheltenham GL50 3PR
Investment Managers	Newton Investment Management Limited 160 Queen Victoria Street London EC4V 4LA		Legal and General Investment Management One Coleman Street London EC2R 5AA
Legal Advisers	Clarkslegal LLP 5th Floor, Thames Tower Station Road Reading RG1 1LX		Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF
Legal Advisers (International)	Eversheds Sutherland One Wood Street London EC2V 7WS		

5. Independent Auditor's Report to Members of Education Development Trust

Opinion

We have audited the financial statements of Education Development Trust ('the charitable company') and its subsidiaries ('the group') for the year ended 31 August 2025 which comprise Consolidated and Charity Statements of Financial Activities, Consolidated and Charity Balance Sheets and Consolidated Cash Flow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2025 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

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 rise to 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 our audit

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 29 and 30, 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.

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members, including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and

the group for fraud. The laws and regulations we considered in this context for the UK operations were anti-fraud, bribery and corruption legislation, taxation legislation and employment legislation. We also considered compliance with local legislation for the group's overseas operating segments.

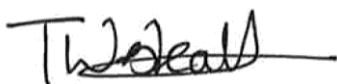
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, and the Audit and Finance Committee about their own identification and assessment of the risks of irregularities, designing and performing audit procedures over the timing of grant and contract income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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

A handwritten signature in black ink, appearing to read 'Tara Westcott', with a horizontal line extending to the right.

Tara Westcott
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP

Statutory Auditor
Cheltenham

Date: 24 February 2026

6. Consolidated Financial Statements and Notes

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES For the year ended 31 August 2025

				Year to 31 August 2025	Year to 31 August 2024
	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Total £'000
INCOME					
<u>Income from investments</u>	1d				
Dividends receivable		131	69	200	175
Rental income		453	-	453	415
Interest income		490	-	490	617
<u>Income from charitable activities</u>	1d				
UK		27,685	7,601	35,286	38,863
Africa, Middle East and Asia		25,588	13	25,601	28,125
Research and Consultancy		2,107	7	2,114	1,282
Independent Schools		9,692	-	9,692	10,911
Total income	2a	66,146	7,690	73,836	80,388
EXPENDITURE					
<u>Expenditure on raising funds</u>					
Investment managers' fees	1e	-	-	-	20
Other costs		477	-	477	409
<u>Expenditure on charitable activities</u>	1e				
UK		25,992	7,601	33,593	36,972
Africa, Middle East and Asia		27,857	13	27,870	29,500
Research and Consultancy		2,678	337	3,015	1,969
Independent Schools		10,309	-	10,309	11,239
Total expenditure	5	67,313	7,951	75,264	80,109
Total income less total expenditure		(1,167)	(261)	(1,428)	279
Net gains on investments	8	614	318	932	970
Net (expenditure) / income	2b	(553)	57	(496)	1,249
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	14	(72)	-	(72)	(60)
Exchange losses on conversion of subsidiaries		(105)	-	(105)	(43)
Total recognised losses		(177)	-	(177)	(103)
Net movement in funds before minority interest		(730)	57	(673)	1,146
Less: Minority interest		(541)	-	(541)	(549)
Net movement in funds after minority interest		(1,271)	57	(1,214)	597
Balance brought forward at 1 September		23,915	6,019	29,934	29,337
Balance carried forward at 31 August		22,644	6,076	28,720	29,934

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

The notes on pages 45 to 67 form an integral part of these financial statements.

STATEMENT OF FINANCIAL ACTIVITIES – CHARITY ONLY
For the year ended 31 August 2025

				Year to 31 August 2025	Year to 31 August 2024
	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Total £'000
INCOME					
<u>Income from investments</u>	1d				
Dividends receivable		1,243	69	1,312	502
Rental income		448	-	448	408
Interest income		374	-	374	454
<u>Income from charitable activities</u>	1d				
UK		27,685	7,601	35,286	38,863
Africa, Middle East and Asia		7,308	13	7,321	6,997
Research and Consultancy		2,107	7	2,114	1,282
Independent Schools		8,631	-	8,631	8,679
Total income		47,796	7,690	55,486	57,185
EXPENDITURE					
<u>Expenditure on raising funds</u>					
Investment managers' fees	1e	-	-	-	20
Other costs		477	-	477	409
<u>Expenditure on charitable activities</u>	1e				
UK		28,105	7,601	35,706	39,333
Africa, Middle East and Asia		8,113	13	8,126	6,935
Research and Consultancy		2,804	337	3,141	2,047
Independent Schools		8,831	-	8,831	9,036
Total expenditure		48,330	7,951	56,281	57,780
Total income less total expenditure		(534)	(261)	(795)	(595)
Net gains on investments	8	614	318	932	970
Net income		80	57	137	375
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	14	(72)	-	(72)	(60)
Total recognised losses		(72)	-	(72)	(60)
Net movement in funds		8	57	65	315
Balance brought forward at 1 September		18,264	6,019	24,283	23,968
Balance carried forward at 31 August		18,272	6,076	24,348	24,283

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

The notes on pages 45 to 67 form an integral part of these financial statements.

BALANCE SHEETS
As at 31 August 2025

BALANCE SHEETS		-----GROUP-----		-----CHARITY-----	
As at 31 August 2025		As at 31/08/25 £'000	As at 31/08/24 £'000	As at 31/08/25 £'000	As at 31/08/24 £'000
	Notes				
FIXED ASSETS					
Tangible assets	1f, 7	2,202	5,079	2,116	4,056
Investments	1h, 8	17,637	13,839	17,637	13,839
Investments in Group undertakings	9	-	-	203	203
Total fixed assets		19,839	18,918	19,956	18,098
CURRENT ASSETS					
Debtors: Amounts falling due within one year	10	12,265	15,384	8,513	11,835
Cash at bank and in hand		13,426	21,604	7,135	13,673
		25,691	36,988	15,648	25,508
CURRENT LIABILITIES					
Creditors: Amounts falling due within one year	11	(13,798)	(22,207)	(11,065)	(18,748)
Net current assets		11,893	14,781	4,583	6,760
Total assets less current liabilities		31,732	33,699	24,539	24,858
Provision for liabilities and charges	13	(212)	(596)	(191)	(575)
Defined benefit pension schemes	14	-	-	-	-
NET ASSETS		31,520	33,103	24,348	24,283
CHARITABLE FUNDS					
Unrestricted funds (excluding defined benefit pensions)		22,644	23,915	18,272	18,264
Restricted funds	12	6,076	6,019	6,076	6,019
SUB TOTAL FUNDS (excluding pension liabilities)		28,720	29,934	24,348	24,283
Defined benefit pension asset	14	-	-	-	-
TOTAL FUNDS (excluding minority interest)		28,720	29,934	24,348	24,283
Minority interests		2,800	3,169	-	-
TOTAL FUNDS		31,520	33,103	24,348	24,283

The notes on pages 45 to 67 form an integral part of these financial statements.

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



Ilse Howling
Chair

Dated: 19th February 2026

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 August 2025

	Year to 31 August 2025 £'000	Year to 31 August 2024 £'000
<u>Cash flows from operating activities</u>		
Net (expenditure) / income for the year	(496)	1,249
Adjustments for:		
Depreciation on tangible fixed assets	859	1,094
Profit on sale of tangible fixed assets	(243)	(17)
Profit on sale of subsidiary	(265)	(431)
Decrease in debtors	3,119	2,842
(Decrease) / increase in creditors	(8,409)	149
Decrease in provisions	(384)	-
Less dividends receivable	(200)	(175)
Less interest receivable	(490)	(617)
Post-retirement benefits adjustment	(71)	(60)
Dividends paid to minority interest	(911)	(263)
Gains on investments	(932)	(970)
Exchange gains on fixed assets	(15)	(23)
Exchange (gains) / losses on conversion of cash	(3)	15
Exchange losses on conversion of opening reserves of foreign subsidiaries	(105)	(43)
Net cash (used in) / generated from operating activities	(8,546)	2,750
<u>Cash flows from investing activities</u>		
Interest received	490	617
Dividends received from investments	200	175
Sale of subsidiary	1,235	583
Purchase of tangible fixed assets	(604)	(1,059)
Sale of tangible fixed assets	1,910	17
Purchase of fixed asset investments	(3,000)	(9,137)
Sale of fixed asset investments	132	5,680
Net cash generated from / (used in) investing activities	363	(3,124)
Net decrease in cash and cash equivalents in the year	(8,183)	(374)
Cash and cash equivalents at the beginning of the year	21,606	21,995
Change in cash and cash equivalents due to exchange rate movements	3	(15)
Total cash and cash equivalents at the end of the year	13,426	21,606
<u>Cash and cash equivalents:</u>		
Cash at bank and in hand	13,426	21,604
Cash at investments managers – money market deposits	-	2
Total cash and cash equivalents	13,426	21,606

The notes on pages 45 to 67 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2025

1. PRINCIPAL ACCOUNTING POLICIES

a. Basis of accounting and consolidation

Education Development Trust is a charitable company limited by guarantee, incorporated in England and Wales (Charity Number 270901 / Company Number 867944). The address of its registered office is Highbridge House, 16-18 Duke Street, Reading, RG1 4RU. The financial statements have been prepared under the historical cost convention, except for investments which are included at market value. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

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

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

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

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

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

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

b. Going Concern

We set a budget and a 3-year plan annually. The Board of Trustees and the Executive actively monitor financial results against the budget on a monthly basis. Regular forecasts with associated risks and opportunities are produced for the current financial year, to identify actions to optimise financial performance by mitigating risks and realising opportunities.

We monitor solvency by projecting income, net income, free reserves and cash to August 2027. We have reviewed this analysis on a regular basis up to the date of signing the report. We use a range of scenarios to stress test cash and reserves. This testing shows that we have adequate headroom for cash and a strong balance sheet. On this basis, while an amount of uncertainty about the volume and timing of new business exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern. The Board of Trustees therefore considers it appropriate for the accounts to be prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

1. PRINCIPAL ACCOUNTING POLICIES (continued)

c. Critical accounting judgements and estimations

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

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

(ii) Recognition of pension scheme asset – in line with FRS102, the Charity only recognises a defined benefit asset to the extent it is considered recoverable through reduced contributions in the future, or through refunds from the scheme. The appropriate accounting treatment is determined for each scheme separately based on review and interpretation of the scheme rules.

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

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

d. Income

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

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

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

Income from charitable activities has been split under the four key activities identified to meet the Charity's objectives: UK, Africa, Middle East and Asia, Research and Consultancy and Independent Schools.

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

- income from tuition and nursery fees is recognised to the extent that the related services have been provided;
- income from contracts is recognised using the stage of completion method which is equivalent to the aggregate of related expenditure incurred plus a portion of estimated surplus. Anticipated losses on contracts are charged to the Statement of Financial Activities in their entirety when losses become evident;
- grants receivable income, where related to performance and specific deliverables, is accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 August 2025

1. PRINCIPAL ACCOUNTING POLICIES (continued)

e. Expenditure

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

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

Expenditure on charitable activities has been split under the four key activities identified namely: UK, Africa, Middle East and Asia, Research and Consultancy and Independent Schools. Further detail of the work within each of these areas is detailed in the Strategic Report.

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

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

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

Redundancy, termination, and ex gratia payments are accounted for in full in the year that the departure is agreed.

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

f. Tangible fixed assets

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

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

Assets under construction are not depreciated until they are brought into use.

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

1. PRINCIPAL ACCOUNTING POLICIES (continued)

g. Impairment of fixed assets

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

h. Investments

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

i. Financial instruments

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

1. PRINCIPAL ACCOUNTING POLICIES (continued)

j. Pension scheme arrangements

(i) Defined contribution scheme

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

(ii) Defined benefit scheme

The Charity contributed to defined benefit pension schemes.

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

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

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

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

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

k. Holiday pay accrual

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

l. Operating leases

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

m. Foreign currency translation

(i) Functional and presentation currency

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

1. PRINCIPAL ACCOUNTING POLICIES (continued)

m. Foreign currency translation (continued)

(ii) Transactions and balances

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

(iii) Translation of group entities

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

n. Restricted funds

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

2. SEGMENTAL ANALYSIS

(a) Group income relating to operating activities	Year to 31 August 2025 £'000	Year to 31 August 2024 £'000
An analysis of Group turnover by geographical segment is given below:		
United Kingdom	45,035	48,788
South Asia and South East Asia	17,354	17,139
Middle East	2,805	6,570
Africa	8,642	7,784
Europe and other	-	107
	73,836	80,388

(b) Net income	£'000	£'000
An analysis of the net (deficit) / surplus by geographical segment is given below:		
United Kingdom	(3,512)	(1,990)
South Asia and South East Asia	2,435	2,553
Middle East	(525)	171
Africa	1,119	486
Europe and other	(13)	29
	(496)	1,249

3. STAFF AND TEACHER COSTS

	Year to 31 August 2025 £'000	Year to 31 August 2024 £'000
Wages and salaries	38,655	40,075
Redundancy, termination or ex gratia payments	763	641
Social security costs	2,633	2,436
Pensions	1,480	1,597
Temporary staff	1,134	522
	44,665	45,271

Redundancy, termination, and ex gratia payments were incurred as part of the ongoing evolution of the business and were accounted for in full in the year that the departure was agreed. The amount payable at 31 August 2025 was £145,548 (2023/24: £265,000) and is included within Creditors.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

3. STAFF AND TEACHER COSTS (continued)

Staff members whose total annual remuneration was in the ranges:	Year to 31 August 2025 No. of Staff	Year to 31 August 2024 No. of Staff
£60,000 – £69,999	32	22
£70,000 – £79,999	17	14
£80,000 – £89,999	15	14
£90,000 – £99,999	8	5
£100,000 – £109,999	1	1
£110,000 – £119,999	2	3
£120,000 – £129,999	3	5
£130,000 – £139,999	2	3
£140,000 – £149,999	1	1
£150,000 – £159,999	1	-
£170,000 – £179,999	1	-
£180,000 – £189,999	1	-
£190,000 – £199,999	-	1
£200,000 – £209,999	-	1
£210,000 – £219,999	1	-
£270,000 – £279,999	1	-
	86	70

Total annual remuneration includes redundancy, termination and ex gratia payments.

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

The Chief Executive Officer had total annual remuneration in the £210,000 - £219,999 range (2023/24: £190,000 - £199,999 range).

Total employer pension contributions for the provision of money purchase schemes totalled £323,797 (2023/24: £278,627) for those staff whose total remuneration was more than £60,000.

	Year to 31 August 2025 No. of Staff	Year to 31 August 2024 No. of Staff
The number of staff whose remuneration was more than £60,000 to whom retirement benefits are accruing under:		
- money purchase schemes	63	51
- defined benefit schemes	2	2
The average monthly number of persons employed by the Group during the period was:	1,062	1,159

Key management personnel

The total employment benefits of the key management personnel was £1,467,553 (2023/24: £1,562,690) and total employer pension contributions for seven people was £77,774 (2023/24: £73,780 for nine people). Redundancy pay of £178,352 (2023/24: £117,639) was paid to key management personnel.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

4. NET INCOME is stated after charging / (crediting)	Year to 31 August 2025 £'000	Year to 31 August 2024 £'000
Auditors' remuneration:		
Group audit (Charity 2024/25: £63,250, 2023/24: £60,250)	71	66
Audits of international subsidiaries	23	33
Other	5	4
Internal audit	27	99
Depreciation (note 7)	859	1,094
Remuneration of the Board of Trustees (note 6)	140	148
Exchange differences	84	80
Operating lease rentals: Property	1,026	1,061
Gain on sale of tangible fixed assets	(243)	(17)

5. ANALYSIS OF TOTAL EXPENDITURE – GROUP

	Direct Staff Costs £'000	Support Staff Costs £'000	Materials Production and Training Delivery £'000	Premises £'000	Other Project Expenditure (including depreciation) £'000	Other Support Expenditure £'000	Year to 31 August 2025 £'000	Year to 31 August 2024 £'000
<u>Expenditure on charitable activities</u>								
UK	16,122	3,879	250	82	11,153	2,107	33,593	36,972
Africa, Middle East and Asia	13,522	2,848	486	284	9,249	1,481	27,870	29,500
Research and Consultancy	1,232	235	53	1	1,380	114	3,015	1,969
Independent Schools	5,689	1,138	46	1,183	2,994	(741)	10,309	11,239
	36,565	8,100	835	1,550	24,776	2,961	74,787	79,680
Investment manager's fees	-	-	-	-	-	-	-	20
Other costs	-	-	-	-	-	477	477	409
Total expenditure	36,565	8,100	835	1,550	24,776	3,438	75,264	80,109

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

6. TRANSACTIONS WITH TRUSTEES AND CONNECTED PARTIES

			Year to 31 August 2025	Year to 31 August 2024
(a) Trustees' remuneration and transactions				
Recipient		Nature	£	£
I Howling		Remuneration	30,000	30,000
R Humphreys	to 3 July 2024	Remuneration	-	13,462
A McFarlane	to 22 May 2025	Remuneration	11,613	16,000
J Hutcheon		Remuneration	16,000	16,000
J Grant	to 22 May 2025	Remuneration	7,621	10,500
T Barron		Remuneration	16,000	16,000
J Simons		Remuneration	10,500	10,500
N Hemelge		Remuneration	10,500	10,500
M Wambugu		Remuneration	10,232	10,285
T Coulson	to 7 September 2025	Remuneration	12,023	10,500
A Tutt	from 16 May 2024	Remuneration	16,000	4,688
			140,489	148,435

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

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

		Year to		Year to
		31 August 2025		31 August 2024
		£		£
(b) Expenses reimbursed to, and paid on behalf of, the Board of Trustees				
		Number of Board Members 2024/25	2023/24	
Nature of expense				
Travel expenses		8	6	3,433
Subsistence / meals / hospitality		10	10	1,049
Hotels / accommodation		3	9	895
Other expenses		2	10	56
				5,433
				12,368

(c) Transactions with connected parties

(i) Subsidiary undertakings

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

	Year to 31 August 2025 £'000	Year to 31 August 2024 £'000
CfBT Education Services (B) Sdn Bhd	1,090	1,102
EDT Middle East Educational Consultancy LLC	187	433
International School of Cape Town (Pty) Ltd	13	50

During the year Education Development Zimbabwe (Private) Ltd charged the Charity £1,931,222 (2023/24: £2,600,770) in relation to work performed for the Charity.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

6. TRANSACTIONS WITH TRUSTEES AND CONNECTED PARTIES (continued)

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

	Year to 31 August 2025 £'000	Year to 31 August 2024 £'000
CfBT Education Services (B) Sdn Bhd	739	742
EDT Middle East Educational Consultancy LLC	(81)	(95)
International School of Cape Town (Pty) Ltd	-	521
Education Development Zimbabwe (Private) Ltd	(67)	(59)
CfBT Education Services Limited	(56)	(56)

The above balances are repayable to the Charity. Provisions are made against balances where repayment is doubtful (2024/25: no provisions).

(ii) Entities in which trustees have a significant interest

Dr T Coulson was also Chief Executive of Unity Schools Partnership. During the year Education Development Trust transferred £6,000 grant funding to Unity Schools Partnership on behalf of the Department for Education as part of the Behaviour Hubs programme.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

7. TANGIBLE FIXED ASSETS

	Freehold Property £'000	Leasehold Improvement £'000	Motor Vehicles £'000	Office Fixtures £'000	IT Systems & Computers £'000	Assets Under Construction £'000	Total £'000
Group							
Cost							
As at 1 September 2024	3,532	5,324	371	1,813	4,498	461	15,999
Additions	18	247	-	89	48	202	604
Transfer	-	320	-	122	19	(461)	-
Disposals	(1,296)	(4,278)	(115)	(956)	(451)	-	(7,096)
Exchange adjustment	15	2	(2)	-	(1)	-	14
As at 31 August 2025	2,269	1,615	254	1,068	4,113	202	9,521
Depreciation							
As at 1 September 2024	1,616	3,634	342	1,373	3,955	-	10,920
Charge for year	46	327	7	168	311	-	859
Eliminated on disposal	(528)	(2,766)	(95)	(683)	(387)	-	(4,459)
Exchange adjustment	1	1	(2)	-	(1)	-	(1)
As at 31 August 2025	1,135	1,196	252	858	3,878	-	7,319
Net book value at 31 August 2025	1,134	419	2	210	235	202	2,202
Net book value at 31 August 2024	1,916	1,690	29	440	543	461	5,079
	Freehold Property £'000	Leasehold Improvement £'000	Motor Vehicles £'000	Office Fixtures £'000	IT Systems & Computers £'000	Assets Under Construction £'000	Total £'000
Charity							
Cost							
As at 1 September 2024	2,280	5,111	71	1,654	4,080	461	13,657
Additions	-	221	-	76	14	202	513
Transfer	-	320	-	122	19	(461)	-
Disposals	(11)	(4,062)	(9)	(837)	(209)	-	(5,128)
Exchange adjustment	-	(1)	(1)	-	(1)	-	(3)
As at 31 August 2025	2,269	1,589	61	1,015	3,903	202	9,039
Depreciation							
As at 1 September 2024	1,096	3,499	69	1,267	3,670	-	9,601
Charge for year	46	318	5	159	259	-	787
Eliminated on disposal	(7)	(2,621)	(12)	(618)	(204)	-	(3,462)
Exchange adjustment	-	(1)	(1)	-	(1)	-	(3)
As at 31 August 2025	1,135	1,195	61	808	3,724	-	6,923
Net book value at 31 August 2025	1,134	394	-	207	179	202	2,116
Net book value at 31 August 2024	1,184	1,612	2	387	410	461	4,056

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

7. TANGIBLE FIXED ASSETS (continued)

Legal title to freehold property

EDT has identified that legal title to a freehold property in tangible fixed assets currently rests with the Crown, following the historical dissolution of a former subsidiary before an intended transfer to EDT was completed. EDT maintains that it is the beneficial owner and steps are underway to regularise the situation through court action. Based on legal advice, the Trustees consider it appropriate to continue recognising the property as an asset, although uncertainty remains regarding the outcome and timing of the process.

8. FIXED ASSET INVESTMENTS

Portfolio structure

	-----Group and Charity-----			
	-----31 August 2025-----		-----31 August 2024-----	
	%	£'000	%	£'000
Multi Asset Funds	100.0%	17,637	99.0%	13,704
Other	-	-	1.0%	133
Cash held by investment managers	-	-	0.0%	2
Market value as at 31 August	100%	17,637	100%	13,839

Movement in market value of investments	2024/25	2023/24
	£'000	£'000
Opening market value as at 1 September	13,839	9,444
Additions	3,000	9,137
Disposals	(132)	(5,680)
Gains	932	970
Decrease in cash	(2)	(32)
Closing market value as at 31 August	17,637	13,839

Historical cost of investment portfolio

	-----Group and Charity-----	
	2025	2024
	£'000	£'000
Costs as at 31 August	13,852	10,961

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

9. INVESTMENTS IN SUBSIDIARIES

The Charity holds investments in principal undertakings as follows:

	Address /Country of Registration	Company No	% Holding of Issued Share Capital	Turnover £'000	Expenditure £'000	Net Assets £'000
Africa, Middle East and Asia						
CfBT Education Services (B) Sdn Bhd	Unit 5-6, Block D, Kiarong Complex, Lebuhraya Sultan Haji Hassanal Bolkiah, Bandar Seri Begawan BE1318 Brunei Darussalam	n/a	55%	17,096	15,742	5,422
EDT Middle East Educational Consultancy LLC	603, Shk. Rashid Bin Saeed St. Al Nahyan, Post Box No. 22229 Abu Dhabi, UAE	n/a	49%	2,554	2,702	1,797
Education Development Zimbabwe (Private) Ltd	99 Churchill Avenue, Gunhill Harare, Zimbabwe	11145/2022	100%	1,911	1,909	151

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

On 31 January 2025, Education Development Trust sold International School of Cape Town (Pty) Ltd, a subsidiary of the Charity based in South Africa.

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

INVESTMENTS

CHARITY

	Subsidiary Investment Total £'000
Cost as at 1 September 2024 and 31 August 2025	203

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

10. DEBTORS

	Group		Charity	
	As at 31/08/25 £'000	As at 31/08/24 £'000	As at 31/08/25 £'000	As at 31/08/24 £'000
Amounts falling due within one year				
Trade debtors	4,858	8,693	3,292	7,110
Amounts owed by Group undertakings	-	-	739	1,263
Other debtors	1,289	1,521	443	543
Prepayments	1,184	1,400	469	536
Accrued income	4,934	3,770	3,570	2,383
	12,265	15,384	8,513	11,835

11. CREDITORS

	Group		Charity	
	As at 31/08/25 £'000	As at 31/08/24 £'000	As at 31/08/25 £'000	As at 31/08/24 £'000
Amounts falling due within one year				
Trade creditors	1,002	874	968	863
Amounts owed to Group undertakings	-	-	204	210
Monies held on behalf of third parties	156	724	156	713
Taxation and social security	1,373	1,624	964	1,223
Other creditors	2,064	2,240	380	322
Accruals	2,522	3,370	1,734	2,491
Deferred income	6,681	13,375	6,659	12,926
	13,798	22,207	11,065	18,748

	Group		Charity	
	As at 31/08/25 £'000	As at 31/08/24 £'000	As at 31/08/25 £'000	As at 31/08/24 £'000
Movement in deferred income				
Opening balance at 1 September	13,375	10,987	12,926	10,564
Utilised in the year	(13,375)	(10,987)	(12,926)	(10,564)
Income deferred in the year	6,681	13,375	6,659	12,926
Closing balance at 31 August	6,681	13,375	6,659	12,926

Deferred income relates to tuition fee and contract income received in advance of related services being provided and to performance related grants where income is received in advance of entitlement.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

12. RESTRICTED FUNDS

	European Social Fund Grants £'000	Grants from the UK Department for Education £'000	UK Shared Prosperity Fund Grants £'000	Other Restricted Grants £'000	Alexandria Schools Trust £'000	Total Restricted Funds £'000
Balance at 31 August 2023	-	-	-	-	5,623	5,623
Income	2,957	2,187	1,352	66	93	6,655
Expenditure	(2,957)	(2,187)	(1,352)	(66)	(245)	(6,807)
Net gains on investments	-	-	-	-	548	548
Balance at 31 August 2024	-	-	-	-	6,019	6,019
Income	882	1,385	5,334	20	69	7,690
Expenditure	(882)	(1,385)	(5,334)	(20)	(330)	(7,951)
Net gains on investments	-	-	-	-	318	318
Balance at 31 August 2025	-	-	-	-	6,076	6,076
Restricted Fund Balance Sheet as at 31 August 2025						
Investments	-	-	-	-	6,147	6,147
Current Liabilities	-	-	-	-	(71)	(71)
Net assets as at 31 August 2025	-	-	-	-	6,076	6,076
Restricted Fund Balance Sheet as at 31 August 2024						
Investments	-	-	-	-	6,037	6,037
Current Liabilities	-	-	-	-	(18)	(18)
Net assets as at 31 August 2024	-	-	-	-	6,019	6,019

European Social Fund and UK Shared Prosperity Fund grants relate to skills and employability projects delivered in England.

Grants from the UK Department for Education relate to the Behaviour Hubs programme.

All restricted grants are used for specific purposes as stipulated by the donor.

The assets of Alexandria Schools Trust were transferred to Education Development Trust on 1 April 2014. As part of the transfer agreement the former trustees of Alexandria Schools Trust placed restrictions on the use of the funds and therefore the fund is still treated as restricted in the Charity.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

13. PROVISION FOR LIABILITIES AND CHARGES

GROUP

	Dilapidations	Other payments	Total
	£'000	£'000	£'000
As at 1 September 2024	575	21	596
Utilised during the year	(7)	-	(7)
Release for the year	(377)	-	(377)
As at 31 August 2025	191	21	212

CHARITY

As at 1 September 2024	575	-	575
Utilised during the year	(7)	-	(7)
Release for the year	(377)	-	(377)
As at 31 August 2025	191	-	191

Provisions due in over one year

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

	Dilapidations	Other payments	Total
	£'000	£'000	£'000
As at 31 August 2025	155	-	155
As at 31 August 2024	521	-	521

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 August 2025

14. PENSIONS

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

a. Defined contribution schemes

The assets of these schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the fund and amounted to £1,263,324 (2023/24: £1,290,442). Contributions totalling £175,679 (2023/24: £228,394) were payable to the fund at the year end and are included in creditors.

b. Defined benefit scheme

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

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

The Charity is aware of the Virgin Media v NTL Pension Trustees II Limited Court of Appeal judgement which may give rise to adjustments to the schemes. At present the legal process is incomplete and therefore we are unable to quantify any potential liabilities.

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

Derivation of figures

The figures disclosed below have been derived by approximate methods from the latest full actuarial valuation of the funds. Each actuarial valuation was carried out by a qualified actuary independent of the plan's sponsoring employer. The latest actuarial valuations were carried out as at 31 March 2022 for the LGPS, as at 1 April 2024 for the Educational Exchanges Pension Scheme, as at 31 December 2023 for the Prudential Platinum scheme and as at 5 April 2024 for Mercer DB Master Trust Plan.

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

	2024/25	2023/24
<u>Assumptions</u>		
RPI	2.90%-3.20%	3.00%-3.30%
CPI	1.90%-2.90%	2.00%-2.90%
Salary increases per annum	2.40%-3.40%	2.50%-3.80%
Pensions increases per annum	2.00%-3.00%	2.40%-3.10%
Discount rate per annum	5.70%-6.30%	4.95%-5.00%

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

14. PENSIONS (continued)

Mortality assumptions

Each fund uses assumptions appropriate to that fund. The LGPS uses Club Vita tables with a long cohort projection and 1.25% improvement. The Educational Exchanges Pension Scheme, Prudential Platinum Scheme and Mercer DB Trust Plan all use the S4PA tables, long cohort with a 1.25% improvement.

	Year to 31 August 2025 £'000	Year to 31 August 2024 £'000
Composition of assets and liabilities		
Equities	6,703	6,859
Gilts	4,354	4,189
Other bonds / property	3,040	2,978
Cash / other	1,830	2,102
Plan assets at fair value	15,927	16,128
Derecognition of surplus*	(7,635)	(6,512)
Asset value recognised	8,292	9,616
Present value of funded liabilities	(8,292)	(9,616)
Net asset recognised	-	-

*The trustees believe that there is a significant uncertainty in the valuation of the pension scheme assets as many of the assumptions that are leading to the net asset position could quite plausibly unwind, which increases the uncertainty on whether the net asset will ever be recovered. Consequently, we consider the recoverability of a net pension asset to be uncertain and therefore falls below the recognition threshold required under FRS 102.

	Year to 31 August 2025 £'000	Year to 31 August 2024 £'000
Reconciliation of the present value of liabilities		
Opening present value of liabilities	9,616	9,534
Current service cost	87	112
Interest cost	462	504
Contributions by participants	25	24
Net benefits paid out	(724)	(400)
Actuarial gains	(1,174)	(158)
Closing present value of liabilities	8,292	9,616

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

14. PENSIONS (continued)

	Year to 31 August 2025 £'000	Year to 31 August 2024 £'000
<u>Reconciliation of the fair value of assets</u>		
Opening fair value of assets	16,128	15,659
Interest income	788	837
Remeasurement losses:		
Return on scheme assets excluding interest income	(441)	(157)
Contributions by employer	280	260
Contributions by participants	25	24
Net benefits paid out	(724)	(400)
Administration expenses	(129)	(95)
Closing fair value of assets	15,927	16,128

Return on assets

Actual return on assets	347	680

Amount recognised in the SOFA

Current service cost	87	112
Administration expenses	129	95
Interest expense on effect of asset ceiling	318	326
Net interest income	(326)	(333)
Expense recognised	208	200

Analysis of actuarial (loss) / gain recognised within the SOFA gains and losses category

	Year to 31 August 2025 £'000	Year to 31 August 2024 £'000
Actual return less interest income included in net interest income	(441)	(157)
Experience gains and losses arising on the scheme liabilities	33	26
Changes in assumptions underlying the present value of scheme liabilities	1,141	132
Changes in impact of asset ceiling	(805)	(61)
Total actuarial losses	(72)	(60)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

15. OPERATING LEASE COMMITMENTS

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

	At 31 August 2025 £'000	At 31 August 2024 £'000
Land and buildings		
Group		
Within one year	1,794	2,314
Within two to five years	639	2,533
After five years	-	7,504
	2,433	12,351
Charity		
Within one year	315	758
Within two to five years	277	2,170
After five years	-	7,504
	592	10,432

The land and building lease commitment figure for both the Charity and the Group includes a total of £0.5m (2023/24: £1.5m) relating to properties which are sub-let to another organisation.

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

	At 31 August 2025 £'000	At 31 August 2024 £'000
Land and buildings		
Group and Charity		
Within one year	270	431
Within two to five years	277	1,030
After five years	-	-
	547	1,461

16. CONTINGENT LIABILITIES

	At 31 August 2025 £'000	At 31 August 2024 £'000
Guarantees		
CfBT Education Services (B) Sdn Bhd	492	792
EDT Middle East Educational Consultancy LLC	-	5
	492	797

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

17. PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	-----GROUP-----			-----CHARITY-----		
	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023/24 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023/24 £'000
INCOME						
<u>Income from investments</u>						
Dividends receivable	82	93	175	409	93	502
Rental income	415	-	415	408	-	408
Interest income	617	-	617	454	-	454
<u>Income from charitable activities</u>						
UK	32,367	6,496	38,863	32,367	6,496	38,863
Africa, Middle East and Asia	28,125	-	28,125	6,997	-	6,997
Research and Consultancy	1,216	66	1,282	1,216	66	1,282
Independent Schools	10,911	-	10,911	8,679	-	8,679
Total income	73,733	6,655	80,388	50,530	6,655	57,185
EXPENDITURE						
<u>Expenditure on raising funds</u>						
Investment managers' fees	8	12	20	8	12	20
Other costs	409	-	409	409	-	409
<u>Expenditure on charitable activities</u>						
UK	30,476	6,496	36,972	32,837	6,496	39,333
Africa, Middle East and Asia	29,500	-	29,500	6,935	-	6,935
Research and Consultancy	1,670	299	1,969	1,748	299	2,047
Independent Schools	11,239	-	11,239	9,036	-	9,036
Total expenditure	73,302	6,807	80,109	50,973	6,807	57,780
Total income less total expenditure	431	(152)	279	(443)	(152)	(595)
Net gains on investments	422	548	970	422	548	970
Net income / (expenditure)	853	396	1,249	(21)	396	375
<u>Other recognised gains and losses</u>						
Actuarial losses on defined benefit pension schemes	(60)	-	(60)	(60)	-	(60)
Exchange losses on conversion of subsidiaries	(43)	-	(43)	-	-	-
Total recognised gains / (losses)	(103)	-	(103)	(60)	-	(60)
Net movement in funds before minority interest	750	396	1,146	(81)	396	315
Less: minority interest	(549)	-	(549)	-	-	-
Net movement in funds after minority interest	201	396	597	(81)	396	315
Balance brought forward at 1 Sept 2023	23,714	5,623	29,337	18,345	5,623	23,968
Balance carried forward at 31 Aug 2024	23,915	6,019	29,934	18,264	6,019	24,283

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2025

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	-----GROUP-----				-----CHARITY-----		
	Unrestricted Funds £'000	Restricted Funds £'000	Minority Interest £'000	Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000
Tangible assets	2,202	-	-	2,202	2,116	-	2,116
Investments	11,490	6,147	-	17,637	11,693	6,147	17,840
Net current assets / (liabilities)	9,164	(71)	2,800	11,893	4,654	(71)	4,583
Provisions for liabilities and charges	(212)	-	-	(212)	(191)	-	(191)
Defined benefit pension schemes	-	-	-	-	-	-	-
Net Assets as 31 August 2025	22,644	6,076	2,800	31,520	18,272	6,076	24,348
Tangible assets	5,079	-	-	5,079	4,056	-	4,056
Investments	7,802	6,037	-	13,839	8,005	6,037	14,042
Net current assets / (liabilities)	11,630	(18)	3,169	14,781	6,778	(18)	6,760
Provisions for liabilities and charges	(596)	-	-	(596)	(575)	-	(575)
Defined benefit pension schemes	-	-	-	-	-	-	-
Net Assets as 31 August 2024	23,915	6,019	3,169	33,103	18,264	6,019	24,283

19. FINANCIAL INSTRUMENTS

	Group		Charity	
	As at 31/08/25 £'000	As at 31/08/24 £'000	As at 31/08/25 £'000	As at 31/08/24 £'000
Financial assets held at amortised cost	24,507	35,588	15,179	24,972
Financial assets held at fair value	17,637	13,839	17,637	13,839
Financial liabilities held at amortised cost	5,744	7,208	3,442	4,599

Financial assets held at amortised cost comprise cash and debtors excluding prepayments.

Financial assets held at fair value are investments.

Financial liabilities held at amortised cost comprise creditors excluding taxation and deferred income.

Accounts

ANNUAL REPORT

2023/24

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COMPANIES HOUSE

COMPANY NUMBER: 867944

CHARITY NUMBER: 270901

INTRODUCTION

The report and accounts for the 12 months ended 31 August 2024 have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' 2019 (Financial Reporting Standard 102), and the Companies Act 2006.

CONTENTS

	CHAIR'S REPORT AND CEO'S INTRODUCTION	3
1	OBJECTIVES AND ACTIVITIES IN 2023/24	4
1.1	Our purpose and values	4
1.2	Organisational objectives 2023/24	4
1.3	Public benefit	4
2	STRATEGIC REPORT	5
2.1	Strategy	5
2.2	How we work	5
2.3	Educational impact	5
2.4	Inclusion and diversity	13
2.5	Staff morale and wellbeing	14
2.6	Safeguarding	14
2.7	Stakeholder engagement	15
2.8	Financial overview	16
2.9	Reserves policy	17
2.10	Investment policy and returns	18
2.11	Energy and carbon reporting	19
2.12	Fundraising	20
2.13	Principal risks	21
2.14	Financial risks	21
2.15	Operational plan 2024/25	22
3	STRUCTURE, GOVERNANCE AND MANAGEMENT	23
3.1	Structure	23
3.2	Governance	23
3.3	Responsibilities of the Board of Trustees	25
3.4	Management	26
3.5	Staff	26
3.6	Risk management and internal control	27
4	REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS	29
4.1	Charity details	29
4.2	Trustees	29
4.3	Members	29
4.4	President and Vice President	30
4.5	Executive	30
4.6	Bankers and professional advisers	30
5	INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF EDUCATION DEVELOPMENT TRUST	31
6	CONSOLIDATED FINANCIAL STATEMENTS AND NOTES	35

CHAIR'S REPORT

Thanks to the vision of our funders and the unshakeable commitment of our people, EDT has made a remarkable global impact again this year. There are many success stories in this annual report, including teachers growing in confidence, jobseekers finding pathways to work, marginalised children being able to learn, and schools supporting each other. I am particularly proud of our groundbreaking work on early childhood education, foundational learning and climate change. Thank you to all our fantastic teams around the world for making our goals a reality.



Ilse Howling
Chair of Trustees, Education Development Trust

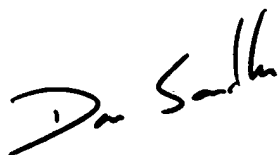
CEO'S INTRODUCTION

I am extremely proud of what EDT has achieved this year. Together, we reached millions of people from Sierra Leone to Brunei, from England to Zimbabwe, and in dozens of territories in between. The stories and statistics on these pages show that we made a measurable impact on children, leaders and adult learners. We did this by supporting our partners to improve schools and education systems at scale, and through our work in continuous professional development and employability and skills services.

EDT's purpose is to increase the life chances of individuals by improving education and skills outcomes. With this in mind, we undertook a robust review of our own systems and organisational structure in 2023–24 and developed an ambitious growth strategy, EDT2030, for the next five years. EDT2030 acts to provide the scaffolding to ensure we demonstrate the impact of work as we deepen our presence in existing markets with current partners while building new partnerships and extending into new territories. We are committed to ensuring we deliver high impactful outcomes.

At every step of this transformational journey, I have been inspired by the incredible expertise that runs through the veins of EDT, and the collaborative spirit at its heart.

Our trustees, the executive team and I – along with our colleagues and partners across the UK, Sub-Saharan Africa, the Middle East and Asia – know there is much more work to be done. As we look ahead to 2025, we are excited about the opportunities we have to increase our impact further, by delivering evidence-led solutions to governments and other organisations around the world.



Dan Sandhu,
Chief Executive Officer, Education Development Trust

1 OBJECTIVES AND ACTIVITIES IN 2023/24

1.1 OUR PURPOSE AND VALUES

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

Our purpose

We exist to increase the life chances of individuals by improving education and skills outcomes.

Our values

- » We strive for excellence
- » We use evidence to shape solutions
- » We make a measurable impact to improve life chances
- » We embrace diversity and treat everyone with respect
- » We are cost effective and deliver great value for money
- » We succeed through collaboration

1.2 ORGANISATIONAL OBJECTIVES 2023/24

In 2023/24, the final year of our 2021-24 strategy, our ambition was to be world-leading in the design and delivery of high-impact, large-scale educational change programmes, transforming even more lives through the power of education and careers advice and guidance – delivering more and delivering better. Achievements during the period are summarised against each objective.

- » **New business:** We achieved 90% of our target for new business income. We surpassed our goals for income from diversified funders and the 2024/25 income target. The shortfall in 2023/24 income was due to delays in UK Government tenders during the election period.
- » **Commercial:** We achieved 90% of our target for income from charitable activities and a net surplus before investment. The income deficit was due to fewer contracts than expected being tendered or awarded, particularly in Sub-Saharan Africa and our consultancy business.
- » **Delivery:** Our delivery objectives included achieving 100% of the reach targets in our strategy, securing good grades in external evaluations, and meeting or exceeding impact targets for all major contracts. We successfully met our reach targets and received 'good' or better grades in all external evaluation reports.
- » **People:** We are committed to ensuring our staff are motivated, productive, and enjoy a safe, diverse, and inclusive working environment. We celebrated a year-on-year improvement in employee satisfaction, demonstrating our continuous progress. We also met our wellbeing and employer brand KPIs.
- » **Stakeholders:** Our goal was to ensure that key stakeholders were familiar with EDT and our activities, that clients and partners believed in our effectiveness, and that communications were engaging. We made progress in this area and have scaled up our ambitions and activities for the next strategy period.

1.3 PUBLIC BENEFIT

Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and are satisfied that all of our work is for the public benefit. Our educational performance is summarised in the Strategic Report, and particularly in section 2.3.

2 STRATEGIC REPORT

2.1 STRATEGY

This was the third and final year of our strategy for 2021–24. The strategy articulated our intent to be world-leading in the design and delivery of high-impact, large-scale education change programmes and identified key areas for action for the three years starting in 2021/22.

Over the three years, we worked with education ministries to make education systems better, supported school leaders to enhance school performance at scale, worked with individuals to improve their career prospects, and contributed to the body of global evidence and insight into what works in education – and how, as a global community, we could reduce inequities in education around the world. Internally, as we emerged from the pandemic, we took the best of what we had learnt from the crisis, and featured more adaptive working, closer collaboration with clients, geographically agnostic team-working, and more focus on our wellbeing.

We published our strategy for the five-year period 2024–2029, “EDT 2030”, in August 2024. EDT 2030 outlines our priorities over the next five years and beyond. It emphasises a focus on specific end-users, funders, and territories to maximise high-impact opportunities. By prioritising how we develop as an organisation and laying strong foundations to enable us to grow, we aim to increase our impact; improving life chances around the world.

2.2 HOW WE WORK

We are organised in four operating activities. We deliver programmes at scale in the UK (‘UK’) and in Africa, Middle East and Asia (‘International’); we conduct research and provide education consultancy services (‘Research and Consultancy’); and we manage private schools (‘Independent Schools’).

We have been working to improve education and skills outcomes around the world from early years, through school, to post-school careers, since 1968. EDT’s 1,000+ strong team operates globally, and has worked in over 100 countries, continuing to deliver evidence-led education and skills programmes. We contribute to the global evidence base by investing our profits into research, and we partner with governments and organisations around the world to make the best global practices work in a local context.

2.3 EDUCATIONAL IMPACT

Making a measurable difference at scale

Our purpose at EDT is to increase life chances by action intended to improve education and skills outcomes. To know whether we are making a difference, we need a clear understanding of the results of our work. We therefore take the measurement of impact very seriously. We ask all our teams to track and measure the number of people reached and collect evidence that we have made a positive impact to their lives. This report draws upon the resulting data for 2023/24. The pattern that has emerged is overwhelmingly positive.

Our reach

Our impact is amplified by the scale of our activity: in 2023/24, we worked in 39 countries, and our clients spanned the Global North and the Global South, including both high- and low-income countries. Our large-scale projects are mainly concentrated in the UK, Sub-Saharan Africa, the Middle East and Asia, while consultancy assignments have a much wider geographical spread. The map below shows the countries where we either ran large-scale projects or undertook consultancy assignments this year.

EDT's global footprint in 2023/24



We operate in many countries and much of our work in 2023/24 took place 'at scale' as measured by the number of people whose life chances we had an opportunity to improve. There are many examples of large-scale reach from our UK operations. Through the National Careers Service we advised around 80,000 people looking for employment or training in three regions of England. While in London we helped over 100,000 young people to understand apprenticeships as a potential career route.

Often our immediate beneficiaries are members of the education workforce, and they have the power to transform the learning of many others, thereby giving us the opportunity to impact positively on millions of lives. In such circumstances there is a reach multiplier effect. In 2023/24 we supported the professional development of around 23,000 educators in the UK and they, in turn, contributed to the education and careers progression of around two million children and young people.

We have operated at a similar level in other countries. In Zimbabwe we engaged with over 67,000 teachers and 5,800 school leaders and In Ethiopia we concluded a five-year school improvement intervention in 2024 and engaged with 10,000 school leaders whose schools educated over five million children.

The consultancy assignments we undertake have the potential for even greater reach and impact because clients such as the Global Partnership for Education and UNESCO advise governments worldwide on education reform, especially in low-income countries; through our help for these agencies we can make a difference to hundreds of millions of school students.

Our work in early childhood education

In recent years, EDT has considerably expanded its presence in the field of early childhood education with new projects in Rwanda and Kenya in 2024. Our flagship intervention is the **Early Years Professional Development Programme**, delivered in England on behalf of the Department for Education (DfE) since 2019. In 2023/24 we provided high quality professional development to approximately 8,000 early years educators, drawn from across every district in England, and thereby impacting on 140,000 children aged two to four. The overwhelming majority of participants who completed the course said they felt more knowledgeable and confident about supporting children's development in the three key areas of communication and language, early mathematics, personal social and emotional development (PSED).

Early Years Professional Development Programme: Feedback from participants

% of participants who gained **confidence** in subject area

**Communication
& Language**



**Early
Mathematics**



PSED



**Overall
Programme**



Feedback from Participants



"My confidence has grown, which in turn means I'm more comfortable and knowledgeable and means I can talk to my manager about the ideas I've seen and heard and explain how this will impact the children positively"

"The course has helped me to have more confidence as an early years practitioner. It has helped to remind me of why I started doing this job. It has helped me to gain confidence in engaging in conversations with parents and how important our role as early years practitioners is vital in the development of the children we look after."



Supporting workforce professional development

EDT works worldwide on interventions that build the professional capacity of the education workforce. During 2023/24, training for teachers and school leaders was a prominent component of our portfolio in the UK, Sub-Saharan Africa, the Middle East and Asia.

In Ethiopia, the **TARGET Programme** (Technical Assistance to Reinforce GEQIP-E) aimed to increase school leaders' understanding of how to create an inclusive environment for all learners, and it was found to have significantly boosted the engagement of vulnerable and marginalised students. TARGET was funded by the UK government and was subject to an independent impact evaluation which praised our work and the way in which school attendance rates for children with disabilities had been transformed.

Independent evaluation of the TARGET programme 2024

*Quantitative data relating to enrolment ratios revealed that TARGET significantly boosted the enrolment of students with disabilities in intervention schools. Between 2018/19 and 2022/23, enrolment ratios of students with disabilities in grades one and two rose by **303%** and **502%**, respectively, a stark contrast to the more modest increases in non-intervention schools.*

The evaluation of TARGET attributed the atmosphere of greater inclusion in schools to a changed mindset on the part of headteachers following the training provided by our team. The evaluators conducted a survey of headteachers which confirmed that the great majority of the school leaders that we supported thought that they had made moderate or considerable progress as leaders of inclusive schools because of the intervention.

Independent evaluation data for TARGET: improvement in inclusive leadership competency as reported by headteachers

Leadership competency	No progress	Moderate progress	Considerable progress
Demonstrating a commitment to improving learning outcome and promoting inclusion	3%	43%	54%
Modelling and guiding leadership for learning for the inclusion and safety of all learners	2%	45.5%	52.5%

In Zimbabwe during 2023/24, EDT managed key components of **TEACH** (Teacher Effectiveness and Equitable Access for Children) – a national programme of support for professional development and school improvement, funded by the UK government. We provided training that focused on ensuring quality learning in a safe environment for all students, including the most marginalised girls and children with disabilities. An external quality assurance review in 2024 awarded the highest possible grade, A++, for our work in Zimbabwe on reform of school inspection, and an A+ for our professional development work with teachers and school leaders.

In England, on behalf of the DfE, we provided training to several distinct groups of education workforce professionals in 2023/24. This included the professional development of over 7,400 newly qualified teachers and 4,800 mentors on the **Early Career Professional Development Programme**, in nearly 3,000 schools serving 320,000 students. Over 90% of participants surveyed said the training had had a ‘good’ or ‘very good’ impact on the learning of their students. Ofsted inspected the programme in 2023 and graded provision as Good.

Ofsted judgement on the Early Career Professional Development Programme 2023

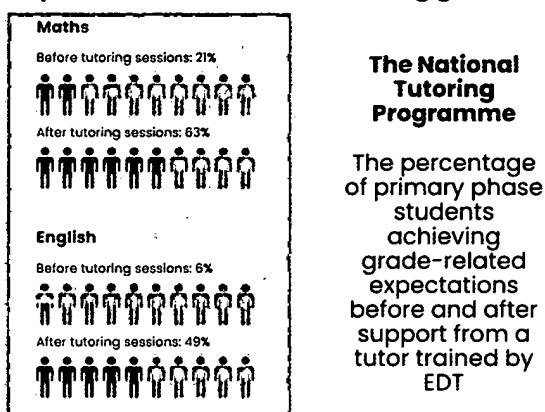
“Early Career Teachers receive effective training and support that enables them to apply what they have learned in the context of their subject, phase or setting. They develop their resilience and self-efficacy because the Lead Provider places great importance on developing these attributes. Consequently, Early Career Teachers build the right foundations to support longevity in the teaching role.”

We supported over 3,000 managers and school leaders studying for their **National Professional Qualifications**, on behalf of the DfE, and 98% of participants said they were ‘satisfied’ or ‘very satisfied’ with the training. Meanwhile, the new mathematics and science teachers who started their initial teacher training on the **Future Teaching Scholars** programme were much less likely to drop

out of the profession: their retention rate after three years in post was 90.5%, compared to the national average of 74.1% retention.

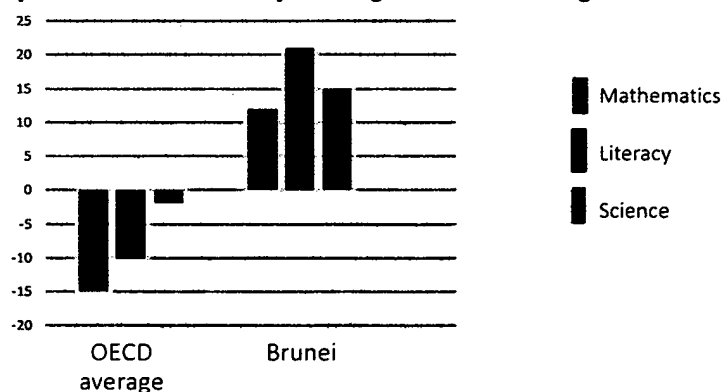
Between 2021 and 2024, as part of the UK government's Covid-19 pandemic recovery programme, EDT provided specialist training for school-led tutors and academic mentors to provide catch-up sessions, on the **National Tutoring Programme**. We trained 1,050 tutors and mentors in 2023/24 and nearly 99% reported that catch-up tuition support was helping their students make academic progress. An independent assessment of the programme concluded that students supported by these tutors achieved notably higher levels of learning gain than similar students who were not tutored.

Independent evaluation of learning gains from our work supporting tutoring in England



2024 marked 40 years of continuous partnership with the government of Brunei Darussalam. During the academic year 2023/24 we deployed 200 teachers of English to schools in every district of the country, and they directly taught 17,000 students. The publication of the **Programme for International Student Assessment (PISA)** test results showed that Brunei's 15-year-old students improved significantly between 2018 and 2022. Their improvement in reading literacy, in a test conducted in English, was the best of all 81 participating countries worldwide.

Change in points scored by students in PISA tests 2018–2022 compared with OECD averages. The improvement in literacy– in English– was the highest in the world



Whole school improvement

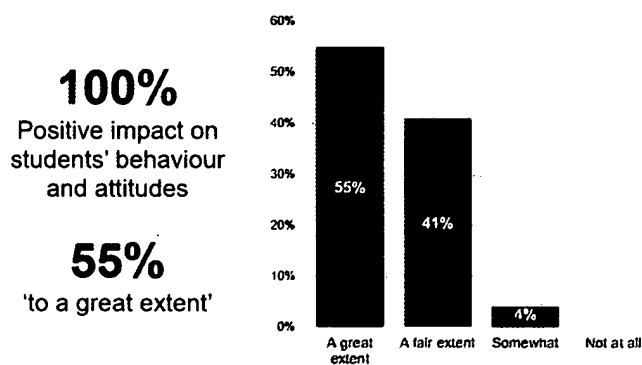
In addition to the provision of professional development opportunities for teachers and leaders, we also approach school improvement at an institutional rather than an individual level.

In the UK, we support school-to-school peer review and collaborative improvement planning through our innovative **School Partnership Programme (SPP)**. This year, as we marked the ten-year anniversary of the programme, 1,465 teachers and leaders from 566 schools across England and Wales worked together in 91 partnerships, to improve schools and learning outcomes for 147,000 students. The impact of the approach has been very positively evaluated by experts from University College London and the lead researcher, Dr David Godfrey, said: *"The SPP model of peer review process develops outstanding leadership and skills."*

School-to-school support is also at the heart of the **Behaviour Hubs** programme, which we manage on behalf of the DfE in England. In 2023/24, we helped over 350 schools attended by approximately 200,000 students, to improve discipline and classroom behaviour through partnership with high-performing schools. Feedback from participating leaders has been overwhelmingly positive; all those whose schools completed the programme in 2024 stated that their involvement had led to an improvement in behaviour culture.

Survey data from headteachers of schools completing the Behaviour Hubs Programme

••• To what extent do you agree that the programme has/will have a positive impact on the behaviour and attitudes of the students in your setting?

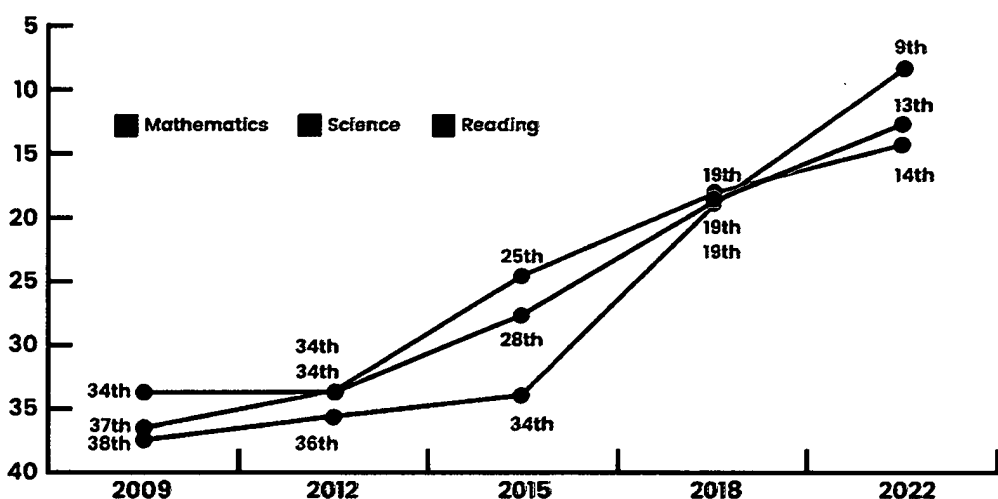


EDT has considerable expertise in school improvement through external review. We provide quality assurance and accreditation of school quality through our **International School Quality Mark (ISQM)**, and as an agency authorised by the UK government to conduct **Inspections of British Schools Overseas (BSO)**. Schools participating in the ISQM review process receive quality assurance visits and, six months later, their headteachers provide feedback. In 2023/24, 86% of them 'agreed' or 'strongly agreed' that the process had made a positive impact on school improvement.

In the area of school improvement through external review, we are the strategic partner of the government of Thailand, the Dubai government's **Knowledge and Human Development Authority**, the **Federal Ministry of the United Arab Emirates** and the **Sharjah Private Education Authority**. Although it can be difficult to quantify the impact of external school review, the long-term trend from Dubai, for example, is extremely encouraging. The grades for school quality following inspections in

Dubai has steadily progressed over the years, and at the same time the overall performance of its schools, as measured by international tests such as PISA, has also improved over time.

International ranking of the Dubai private schools (viewed as a school system), as measured by performance in PISA tests (2009–2022), compared with other countries' education systems



We put our knowledge of school improvement into practice through our ownership and management of three independent schools: **St Andrew's School** and **Oakfield Preparatory School** in England, and the **International School of Cape Town** in South Africa. Both Oakfield and St Andrew's have been awarded the highest possible grade (Excellent) in their most recent inspections by the Independent Schools Inspectorate. Our school in Cape Town is one of the highest performing in Africa as measured by Cambridge IGCSE and A Level results; one student recently achieved the highest overall IGCSE score of any student in South Africa.

Employability, skills and careers guidance

In 2023/24, we continued our work in the UK to support people with their career choices, short- and long-term employability, skills development, and transitions into work or further training.

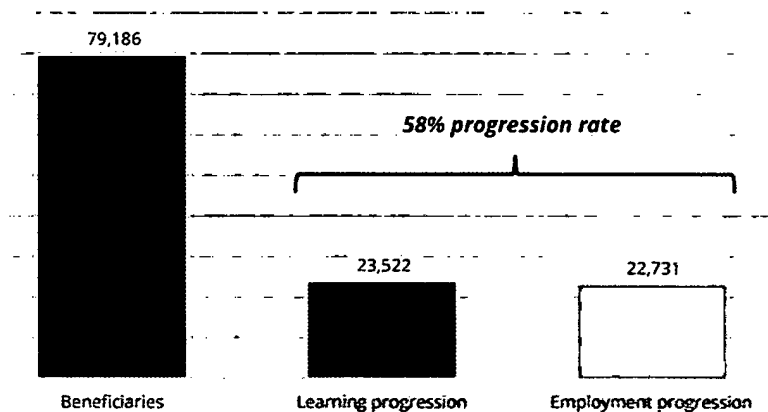
The **Apprenticeship Support and Knowledge (ASK)** programme promoted the apprenticeships route to employment to over 115,000 students in 372 schools and colleges in London in 2023/24. We have been running ASK on behalf of the Department for Education since 2019, and have engaged with over half a million young people in that time. Government statistics show that students from schools and colleges in London engaged in the programme are 21% more likely to move on to apprenticeship than those from schools and colleges not participating with ASK.

Our **West London Careers Hub** (funded by the Greater London Authority and the Careers and Enterprise Company) promoted best practice in careers provision and work experience for young people in seven London boroughs and supported institutions educating 120,000 students. In addition, about 150 schools and colleges across England, subscribed to our **Inspiring Careers** offer and we provided careers guidance and work experience opportunities to approximately 17,000 students in 2023/24. In surveys, all the participating schools and colleges stated that our support was having a positive impact on their students.

For adults, we manage the **National Careers Service (NCS)** on behalf of the UK government in three regions of England, providing thousands of jobseekers with free careers advice, information and guidance to help them navigate the learning, employment and skills landscape. Our clients include older individuals at risk of losing their jobs, people with special educational needs, single parents, young people who are NEET, and the long-term unemployed. This year, we worked with 79,000 people through the NCS – helping them to manage their careers, identify work opportunities, and respond to challenges in the jobs and training market – and 95% told us they were satisfied with the help they received.

We carefully measure the destinations of the people that we support on the NCS. In 2023/24, the percentage of jobseekers who made a positive transition into employment or training was 58% across all three regions – this is significantly higher than the national target of 45% set by the government.

Our work for the National Careers Service 2023/24: exceeding the government target that 45% of our clients should progress to enrolment in training/learning opportunities of employment



Strengthening education systems

Our **global research and consultancy** team supports systems reform worldwide, with a particular focus on capacity building at government ministry level. In 2023/24, we supported policymakers in 32 countries with technical assistance, expert guidance and planning for education reform. In addition, our public research team published reports investigating major policy challenges including education and the climate emergency and barriers to the education and empowerment of girls and young women. Such research projects and consultancy assignments give us an opportunity to make a big difference at scale as we help decision makers to design education reform plans using the best available evidence. In 2023/24 we undertook several assignments of strategic significance, such as:

- » Providing advice to the Global Partnership for Education concerning ways that education systems in Low Income countries can build resilience to crises and thereby ensure continuity of learning for millions of children.
- » Assisting the UK government to gather the data needed to ensure that UK aid money is spent on projects and in places where there is scope for substantial beneficial impact.

It is difficult to measure the precise impact on learners of short-term consultancy of this kind. We have, however, received overwhelmingly positive feedback from our clients, with every indication that they will act on our advice and the prospect of enhanced education policy that will assist hundreds of millions of learners.

Looking forward

2024 witnessed the start of several important projects which, as yet, are at an early stage of implementation. There is therefore no definitive impact data as yet but in each case we are optimistic about our capacity to make a big difference. In terms of beneficiaries the contracts won in 2024 cover the full spectrum from pre-school children to long-term unemployed adults and the projects include:

- » Early childhood education interventions in England (through Skills Bootcamps for early years educators) and Kenya (where we are supporting pre-school provision in disadvantaged rural areas).
- » A new partnership for school improvement with primary schools in the English region of Leicestershire through SPP.
- » A joint initiative with UNICEF in Egypt with a focus on pedagogy and assessment in primary schools.
- » Technical assistance to the Gates Foundation related to the improvement of literacy and numeracy outcomes across Africa.
- » Expansion of our support for the long-term unemployed in northern England.

These are varied assignments in diverse contexts. What links them is the fact that each situation provides an opportunity for us to enact our mission to change lives through the improvement of outcomes in education and skills. To do that we need to measure the impact carefully and we look forward to reporting on our progress in future years.

2.4 INCLUSION AND DIVERSITY

This year, we have maintained our focus on embedding inclusive recruitment and employment practices. As a Disability Confident Employer working towards gaining the Disability Confident Leader accreditation, we are embedding good practice by ensuring that candidates and employees can request a reasonable adjustment to reduce or remove a disadvantage and enable them to have equal access to employment and perform to the best of their ability.

The I&D Employee Groups have continued to run with participation from across the business. Black History Month was celebrated with a trip to Reading Museum by some staff members to see the Windrush Exhibit, and a visiting speaker, Bernadette Thompson, OBE, who highlighted the importance of cultivating a sense of belonging at EDT by building psychological safety and engagement with the wider inclusion agenda.

Evenbreak, a job board for disabled candidates that EDT advertises with, provided disability awareness training to staff, focussing on the social model of disability, which helped the Disability Confident project team to strengthen EDT's training module for line managers and staff. The training underpins the implementation of the reasonable adjustment process, which the HR team oversee to ensure an equitable approach across the business.

Sexual harassment in the workplace training was run, promoting awareness and highlighting the routes for safely reporting concerns or incidents. This was well attended; additional sessions are planned with a view to making this a mandatory training.

2.5 STAFF MORALE AND WELLBEING

The wellbeing of our colleagues remains a key focus area for us. We utilise the PERMA (Positive emotions, Engagement, Relationships, Meaning, Accomplishment) model of wellbeing, which takes a proactive, holistic approach to maintaining positive wellbeing.

We have a range of Employee Assistance Programmes in place globally that provide support across a broad range of topics including mental health, financial wellbeing, medical advice, work-related questions and counselling support where needed.

We continue to provide access to Headspace for all colleagues globally, and currently see above industry average take-up. To acknowledge the importance of family and wellbeing of the whole person, Headspace expanded the offer to allow each colleague the ability to make the app available to five friends/family, which was well received. We currently have 426 colleagues using Headspace and 45 additional family/friend members.

A network of Mental Health First Aiders has been established and meets as a community of practice to discuss trends and emerging themes, and to share good practice via scenario based training sessions. Three lead Mental Health First Aiders support the network, providing advice and supervision.

We provide access to almost 200 live or on-demand training sessions and resources via the Learn platform. For example, our live session 'Building Inner Strength: Empowering yourself through Resilience' saw more than 50 colleagues participate in a rich and rewarding course which has received excellent feedback from participants.

We also encourage our colleagues to maintain their physical wellbeing and hosted the first Global EDT Wellness Week to support that aim. During the week, we encouraged colleagues to join in a global 5k event, to attend a series of breathwork and yoga sessions providing an opportunity to practice mindfulness and share wellness-based information on topics like sleep quality and diet.

A reasonable adjustments procedure has been implemented enabling employees to make requests easily with the support of their line manager and HR so that they can continue to work. The reasonable adjustments process supports employee wellbeing and reduces absenteeism, whilst providing a supportive and enabling environment for disabled individuals and those dealing with a long-term health condition.

2.6 SAFEGUARDING

Safeguarding underpins all that we do at EDT, ensuring that everyone who comes into contact with us feels safe and respected. This year, we have focussed on embedding a robust cycle of continuous improvement in all business areas, ensuring that safeguarding risk and issue logs exist for all business areas and each department and programme has a continuous improvement action plan, which is monitored for progress by the Corporate Safeguarding Committee.

Research and Consultancy has developed and effectively embedded a departmental reporting procedure, strengthening the corporate reporting procedure. Training and advice to departmental teams has ensured that everyone is clear on signs and indicators of abuse and the process to report concerns or incidents.

UK Education Programmes worked with the corporate safeguarding team to develop a guidance and reporting procedure, which encompasses the various programme beneficiaries and delivery partners, to ensure clarity of escalation and reporting.

Our monitoring process for mandatory training was enhanced. We undertook a detailed review of employee data and information on our ERP and recruitment platforms to ensure our learning platform, LEARN, was generating accurate compliance data. The new process resulted in an increased level of compliance for safeguarding eLearning across the organisation.

The Safeguarding Global Community of Practice and Schools Designated Safeguarding Leads (DSLs) meetings continued to provide collegiate forums for sharing best safeguarding practice and opportunities for DSLs to share experiences across the organisation.

2.7 STAKEHOLDER ENGAGEMENT

Trustees as directors of the company have a duty to promote the success of the Charity and, in doing so, are required by section 172(1) of the Companies Act 2006 to have regard to various specific factors including:

- » The likely consequences of decisions in the long-term;
- » The interests of employees;
- » The need to foster relationships with third party stakeholders which, in the case of EDT, include clients and funders, partners, employees, suppliers, school pupils and their parents or carers, programme participants and communities on which we rely or that we affect;
- » The impact of the organisation's operations on the community and the environment;
- » The desirability of the organisation maintaining a reputation for high standards of business conduct;
- » The need to act fairly as between members of the Charity.

Day-to-day management and decision-making is delegated to the Chief Executive Officer and the Executive Team who are required to act to further EDT's strategy and to ensure that activities are carried out in compliance with plans and policies approved by the trustees. The trustees receive updates on EDT's performance and plans at each board meeting. Policies are reviewed periodically by the board or on its behalf by board committees. By ensuring that management act in accordance with the strategy and in compliance with specific policies, the board and its committees obtain assurance that in promoting the success of the charity, due regard is given to the factors set out in Section 172.

We have outlined the key decisions taken by the Board of Trustees in the year that demonstrate how we understand and engage with stakeholders and consider the external impact of our activities:

- » Approved further enhancements to our approach to measuring and assessing educational impact, considering the interests of programme participants and wider society.

- » Approved measures to enhance safeguarding of programme participants and school pupils.
- » Approved business cases for several technology improvement projects, considering the interests of employees and programme participants.
- » Approved financial reserves and client diversification targets, considering clients and the long-term future of the organisation to improve year-on-year performance and develop a sustainable business model.
- » Approved an action plan in response to staff engagement survey results, considering employees engagement and wellbeing.
- » Approved the appointment of LGIM as a new investment counterparty, considering the long-term future of the organisation to ensure financial stability.
- » Discussed the impact of VAT changes in the UK schools' sector and EDT's response, considering employees and students at the schools.
- » Approved EDT's anti-slavery statement, considering the impact on suppliers, partners and wider society.
- » The executive and trustees participated in EDT's Annual General Meeting and provided quarterly updates to members.

One of the key decisions taken by the Board of Trustees during the year that demonstrates how we understand and engage with stakeholders and consider the external impact of our activities was the development and approval of the 2024-2029 strategy, EDT 2030. The Board worked with the Executive on the development of the strategy throughout the year, leading up to final approval in July 2024. Through all stages of the process, trustees held meaningful discussions about the likely consequences of the strategy in the long term and the impact on stakeholders. The trustees considered the impact on staff in key decisions, especially safeguarding, protecting jobs and staff engagement and wellbeing. Trustees see our regular staff survey results, including quantitative and qualitative findings, and these have been used to inform their assessment of the strategy in terms of staff wellbeing and long-term financial sustainability.

In the review of our organisational vision, purpose and values, we sought to develop statements that would be inspiring and interesting to potential clients, partners and staff, and aligned to our charitable objects and public benefit status. A market review, which formed the basis of the strategy, considered the views and interests of a range of funders and clients across our geographical markets. In the development of our goals and objectives, trustees had regard to the wider agenda, including the UN Sustainable Development Goals and the UN Global Compact, and the need to foster relationships with key funders and programme participants.

2.8 FINANCIAL OVERVIEW

EDT is an international organisation with 1,159 staff worldwide, income of £80.4m, net assets of £33.1m and group free reserves of £22.0m.

Our income is generated by winning education-related contracts from governments and public or private bodies. Our business model is built on the principle of full cost recovery: any activity must recover all its attributable cost. This enables us to be financially sustainable and generate sufficient funds to invest in our sustainability through investment in our knowledge and methods, business development, brand, enabling infrastructure, and our public research.

The year-on-year decrease in income of £10.8m was primarily due to FCDO-funded contracts in Kenya, Rwanda and Ethiopia reaching their expected conclusion and a reduction in income from consultancy activity. We were £9.3m below our target for income from charitable activities and £1.0m below our financial model target for net contribution from charitable activities. However, we delivered a year-on-year increase in Charity and Group reserves.

The Group results for the year show net income before investment, pension and exchange gains and losses of £0.3m (2022/23: £0.8m). Total income is £80.4m, a decrease of £10.8m from 2022/23. After gains on investments of £1.0m (2022/23: £7k), actuarial losses on defined benefit pension schemes of £0.1m (2022/23: £5.4m) and exchange losses on conversion of subsidiaries of £43k (2022/23: £0.7m), and after eliminating the net surplus attributable to minority interests of £0.5m (2022/23: £0.1m) the net increase in funds for the year is £0.6m (2022/23: decrease of £5.4m).

The actuarial losses on defined benefit pension schemes in 2022/23 were due to the derecognition of net pension assets for all defined benefit schemes on the basis that recoverability of the assets in the future is too remote.

The total assets less current liabilities of the Group amount to £33.7m (2022/23: £32.8m). The net assets of the Group are £33.1m (2022/23: £32.2m). For the Charity, net assets of £24.3m are reported (2022/23: £24.0m). The defined benefit pension scheme accounting balance is £Nil (2022/23: £Nil).

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

2.9 RESERVES POLICY

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

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

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

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

Accordingly, our monitoring approach is designed to ensure that throughout our planning horizon reserves will remain adequate and that we have plans to deploy reserves appropriately.

We set a budget and a 3-year plan annually. In 2024, we developed a 5-year plan in line with our corporate strategy, to August 2029. The Board of Trustees and the Executive actively monitor financial results against the budget on a monthly basis. Regular forecasts with associated risks and opportunities are produced for the current financial year, to identify actions to optimise financial performance by mitigating risks and realising opportunities.

We monitor solvency by projecting income, net income, free reserves and cash to August 2026. We have reviewed this analysis on a regular basis up to the date of signing the report. We use a range of scenarios to stress test cash and reserves. This testing shows that we have adequate headroom for cash and a strong balance sheet. On this basis, while an amount of uncertainty about the volume and timing of new business exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern.

On 31 August 2024 free reserves were £14.2m for the Charity (2022/23: £13.9m) and £22.0m for the Group (2022/23: £21.4m). These amounts compare with budget figures set at the beginning of the financial year of £11.1m and £18.2m respectively. They were in line with our dynamic financial planning, and so were at a level that is adequate to meet continuously evolving requirements, including a £5m investment in technology planned for 2022/23 to 2024/25. The increase in Charity reserves during the year was driven by proceeds from the sale of shares in Waverley School (Waverley Way) Limited, dividends from subsidiaries and gains from financial investments.

2.10 INVESTMENT POLICY AND RETURNS

Our investment policy is to align with our reserves policy by balancing the portfolio between capital maintenance with low- to medium-risk returns over the medium term. We manage investment risk by pooling financial investments in two tiers. Tier 1 aims to represent the general funds minimum reserves requirement and is held in cash and cash equivalents. Tier 2 aims to represent the balance of financial resources in general and restricted funds and is held in balanced investment funds.

The Board of Trustees has wide investment powers and has delegated responsibility for the management of the portfolio, within the agreed risk profile, to selected investment managers. Our policy has an ethical component under which, while having regard to the requirements of charity law to maximise returns, we seek to avoid investing in activities contradictory to our objectives. Trustees periodically review implementation of the policy in consultation with the investment managers. The financial performance component of return on investment is measured against benchmark weighted indices. Historic performance against benchmarks is shown in the table below.

Investment manager	1 Year		3 Years		5 Years	
	Actual	Benchmark	Actual	Benchmark	Actual	Benchmark
Newton (to 30/09/24)	11.9%	14.7%	4.4%	5.1%	7.3%	7.1%
LGIM (to 31/08/24)	12.1%	14.1%	3.0%	4.1%	4.8%	7.5%

2.11 ENERGY AND CARBON REPORTING

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

Energy Use and Carbon Emissions Disclosure

Primary Statement for 2023/24

	2023/24 Energy Consumption (kWh)	2023/24 Emissions (tCO ₂ e)	2022/23 Emissions (tCO ₂ e)	% Change
Electricity	347,367	71.92	85.67	-16.1%
Gas	491,382	89.87	82.88	+8.4%
Transport Fuels	162,826	36.97	45.42	-18.6%
Gross Annual Total	1,001,575	198.76	213.97	-7.1%
Intensity Metric (Headcount)		737	780	-5.5%
Total tCO₂e/head		0.27	0.27	-1.7%
Qualifying Green Tariffs	345,758	71.58	84.67	-15.5%
Net Annual Total	655,817	127.18	129.30	-1.6%

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

GHG Emissions	2023/24 Energy Consumption (kWh)	2023/24 Emissions (tCO ₂ e)	2022/23 Emissions (tCO ₂ e)	% Change
Scope 1*	496,530	91.10	86.07	5.8%
Scope 2 (location based)	347,367	71.92	85.67	-16.1%
Scope 2 (market based)	1,609	0.33	0.27	21.4%
Scope 3	157,678	35.74	42.23	-15.4%
Total (location based)	1,001,575	198.76	213.97	-7.1%
Total (market based)	655,817	127.18	129.30	-1.6%

* Transport fuel consumption and mains gas included, fugitive emissions were monitored but not released

This is the fifth year of GHG reporting and is aligned with the 2023/24 financial year. The first year's report in 2019/20 forms the baseline year. The baseline year was formed during the Covid-19 pandemic and as such comparisons to this and future years may be skewed. We aim to re-baseline during 2024/25.

We have not developed any carbon targets for the current reporting period. However, a carbon reduction plan to achieve carbon net-zero by 2040 has been developed. The intensity metric chosen is employee numbers (taken as a monthly average). This was chosen as the most suitable metric as the organisation has both schools and offices within the UK and relates well to any changes in the energy consumption and associated carbon emissions.

We have no qualifying carbon offsets during this financial period. Within the UK, all directly sourced electricity that the organisation procures is from REGO-backed or 100% Carbon offset (Kyoto Protocol). We have also taken account of any landlord procured electricity from renewable sources. This has reduced gross emissions from the consumption of purchased electricity via a qualifying green electricity tariff by over 99%, equating to a carbon saving of 71.6 tonnes of CO₂e for this financial year.

Energy Efficiency Narrative

During the reporting year we have undertaken the following activity which has or will have a direct impact on the energy efficiency of the organisation.

- » Ensured directly procured electricity continues to be 100% renewable (REGO-backed).
- » Continued to review the real estate portfolio disposing of a further serviced office space at the end of the financial year.
- » Continued to develop our Carbon Reduction Plan with a commitment to Net Zero, adding emissions from waste disposal.
- » Updated relevant policies including Sustainable Development Policy and Travel Policy, with a focus on avoiding travel where possible.
- » Developed an internal Environmental webpage for employees, including data reports on overall emissions, tips for reducing individual emissions, as well as links to EDT's research 'Climate Change and its Impact on Education'.
- » Our UK Directorate Sustainability Working Group continued to share good practice on promoting sustainability with employers and partners.
- » Ongoing implementation of energy efficiency measures within our schools portfolio through upgrades to LED lighting upgrades, thermal improvements, and window upgrades.

Action planning following the Energy Savings Opportunities Scheme (ESOS) Phase 3 is now underway. The surveys and associated reports completed as part of ESOS should provide a route map for which energy conservation measures can be implemented cost effectively. To reduce energy consumption, cost and carbon emissions, we will continue our existing good practices and implement further energy conservation measures in the next 12-month period, in line with our Carbon Reduction Plan.

2.12 FUNDRAISING

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

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

2.13 PRINCIPAL RISKS

The top corporate risks facing the Group, and associated measures for managing those, are:

Risk identified	Further managing actions
Over-reliance on UK government for funding	» Strategic focus on opportunities from diversified funders and territories
Introduction of VAT on UK independent schools	» Market engagement and cost management
Changes to tax rates and employment practices in the UK	» Review ways of working, process and digital efficiencies to maintain commercial advantage
Reduction in programmes funded by UK DfE	» Pursue client diversification in the UK including decentralised contracts
Major compliance failure (statutory, regulatory)	» Enhanced systems/controls designed around compliance requirements
Major security incident in fragile /conflict-affected region	» Duty of care policies and procedures » Security framework in place in high-risk contexts
Major safeguarding incident	» Continuous focus on safeguarding monitoring and enhancement
IT security breach	» Continued implementation of roadmap of tech security enhancements

2.14 FINANCIAL RISKS

The following sets out the risk management principles applied to certain types of financial risks.

Liquidity

The Group retains sufficient cash funds to meet the day-to-day needs of the organisation and invests its remaining reserves in longer-term investments to maximise returns. The Group's financing objective is to locate funds that are surplus to operational requirements in the Charity (the parent entity). Subsidiaries provide regular financing plans and proposals for repatriation of surplus funds for approval by the Charity.

Financial market

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

Credit

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

maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Foreign exchange

Due to the international nature of its activities, the Group's reported reserves, net assets and gearing are all affected by foreign exchange movements. By default, currency exposures are minimised by denominating transactions in GBP and / or denominating cash in- and out-flows in the same currency. Net exposures are identified, and appropriate management approaches are put in place on a case-by-case basis. The Group does not currently have any currency derivative instruments in place.

Procurement

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

2.15 OPERATIONAL PLAN 2024/25

2024/25 is the first year of our 5-year strategy, EDT 2030. Our EDT 2030 strategy prioritises high-impact opportunities to diversify into new markets, builds on current propositions, and aligns organisational development for expansion beyond 2030. Our guiding purpose is to increase the life chances of individuals by improving education and skills outcomes.

Our 5-year strategic goals are below. Objectives and activity plans have been set for each goal with targets and KPIs.

- Goal 1 We are externally known for what we offer and what makes us different
- Goal 2 We have proof that our work leads to impact
- Goal 3 Strengthen our footprint in our current key markets
- Goal 4 Diversify: markets and funders
- Goal 5 Establish and consistently implement high-impact cost-effective methodologies
- Goal 6 Continue to represent good value for money for our clients

Our key targets for 2024/25 are:

- » **New business:** We aim to secure significant new business income from a diverse client base and to maintain or grow our sales book value.
- » **Commercial:** Our commercial goal is to maintain or exceed our current level of income from charitable activities and deliver a net surplus before investment.
- » **Delivery:** Our delivery objectives include achieving 100% of the year 1 reach targets in our strategy, securing good grades in external evaluations, and meeting or exceeding impact targets for all major contracts.
- » **People:** We are aiming for 5% increase in our employee engagement score, talent aligned with the delivery of our strategic objectives, increased reach of our employer brand and employees that we agree that they are treated with fairness and respect.
- » **Stakeholders:** Our goal is to ensure that key stakeholders are familiar with EDT and our activities, that clients and partners believed in our effectiveness, and that communications are engaging.

3 STRUCTURE, GOVERNANCE AND MANAGEMENT

3.1 STRUCTURE

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

In Brunei, CfBT Education Services (B) Sdn Bhd, a majority-owned subsidiary, is engaged in the supply of education system reform services and English language teachers to the Sultanate's public school system. The principal activities of the EDT Middle East Educational Consultancy LLC, registered in Abu Dhabi, are to provide educational consultancy and support for schools. The principal objective of Education Development Zimbabwe (Private) Ltd, registered in Harare, is to advance education for the public benefit throughout Zimbabwe. The principal activity of the International School of Cape Town (Pty) Ltd, registered in South Africa is to run an independent school in Cape Town. Since year end, we sold the International School of Cape Town to another proprietor. During the year, we completed the sale of Waverley School (Waverley Way) Limited in February 2024.

3.2 GOVERNANCE

Education Development Trust was incorporated on 31 December 1965 and received charitable status on 20 February 1976. The Charity is governed by its Articles of Association, last amended in May 2024.

Board structure

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

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

- » The **Audit and Finance Committee** meets four times a year as a minimum. The committee provides an independent oversight of the Group's systems of internal control, risk management and compliance. It also monitors the Group's financial policies and financial management.
- » The **Education Impact Committee** meets three times a year as a minimum to review the educational impact of the organisation's activities. It also has oversight of the public research programme.
- » The **People, Culture and Remuneration Committee** meets three times a year. It has delegated responsibility and strategic oversight on matters related to people and culture across the organisation, including oversight of the salary and benefits packages of the Executive, the attraction and retention of talent, the development of a high performing workforce, ensuring a positive inclusive work environment where all employees feel valued and respected, and the review of global employee engagement survey outcomes and action plans. It makes recommendations to the Board of Trustees on the remuneration and benefits for the Executive, commissioning external salary benchmarking on a bi-annual basis.

- » The **Corporate Safeguarding Committee** meets three times a year. It provides the Board of Trustees with assurance and evidence that we are meeting the applicable core regulations and exercising a duty of care. The Corporate Safeguarding Committee is advised immediately of any emerging safeguarding cases by the Head of Safeguarding & Inclusion through our Chief Executive Officer and is kept informed throughout the case management process.

A temporary committee, the **Digital Strategy and Innovation Committee** meets four times a year. It oversees strategic direction on the EDT digital strategy and roadmap, ensuring alignment with organisational goals and value to stakeholders.

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

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

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

An **Operational Committee** was established in 2023/24 to consider low risk matters delegated by the Board of Trustees and the administration of matters already delegated by the Board of Trustees.

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

Appointment and role of trustees

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

Trustee indemnity insurance

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

Charity Governance Code

The Charity remains committed to the principles of the Charity Governance Code, focusing on:

- » Trustees were fully engaged in developing EDT's new five-year strategy to 2030, participating in strategy workshops alongside the Executive Team and agreeing on external support and resources for the strategy development process. The Board, through the Education Impact Committee, evaluates the Charity's performance to ensure all programmes meet or exceed predetermined impact targets. (Principle 1: Organisational Purpose)
- » The strategy was driven by a refreshed purpose and set of values that were developed collaboratively across the organisation, with the Board endorsing a shift in emphasis of the purpose to focus on increasing life chances by improving education and skills outcomes. The Board ensures that the Charity's values are reflected in its work and strategic objectives. (Principle 2: Leadership)
- » Annual safeguarding training continues to be provided for Trustees. An internal audit was recently undertaken to review safeguarding processes, and the implementation of an agreed action plan is being monitored by the Corporate Safeguarding Committee. (Principle 3: Integrity)
- » The structure, performance and Terms of Reference of sub-committees have been reviewed as part of a self-evaluation process and a Scheme of Delegation outlines Board-reserved matters and those delegated to committees. The Board manages risks, with the Audit and Finance Committee overseeing a new risk framework and controls maturity assessment. Performance is tracked against Key Performance Indicators through quarterly balanced scorecard reports and monthly reports from the Chief Executive Officer. (Principle 4: Decision making, risk and control)
- » The Board held a facilitated session at their annual awayday which focussed on the group's role in the five key areas of Strategy, Scrutiny, Stretch, Stewardship and Support. This will shape future thinking around governance and board operation. For 2025, the cadence of Board and committee meetings has been streamlined to allow increased focus on strategic matters. (Principle 5: Board effectiveness)
- » The People, Culture and Remuneration Committee continues to oversee the Inclusion and Diversity strategy and the transition to a devolved mainstreaming approach and plan. (Principle 6: Equality, Diversity, and Inclusion)
- » There is a strengthened focus on internal and external customer satisfaction metrics at Board meetings. (Principle 7: Openness and accountability)

UN Global Compact

We demonstrate our commitment to the ten principles of the UN Global Compact by ensuring that they form part of our strategy, culture and day-to-day operations, alongside the Sustainable Development Goals. Our Letter of Commitment and latest Communication on Engagement are both available on unglobalcompact.org.

3.3 RESPONSIBILITIES OF THE BOARD OF TRUSTEES

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

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

- » Select suitable accounting policies and then apply them consistently.
- » Make judgements and estimates that are reasonable and prudent.
- » State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- » Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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

The Board of Trustees is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

3.4 MANAGEMENT

During the period, the activity of the Charity was organised in four operational areas:

- » UK: This activity brings together our large-scale UK programmes. The key components of this area are UK Education and UK Skills (including Employability and Careers).
- » International: This activity brings together our large-scale programmes outside the UK. The key components of this area are the Middle East and Asia region and the Sub-Saharan Africa region.
- » Research & Consultancy: This activity incorporates our consultancy business and our research. This area also manages the Alexandria Schools Trust restricted fund.
- » Independent Schools: This area includes our three independent (private) schools: two in the UK and one in South Africa.

3.5 STAFF

During the period under review, we employed an average of approximately 1,159 staff worldwide, and experienced considerable organisational change as we managed transition within our portfolio of contracts. Change was also delivered through the implementation of the new executive leadership team and realigning activities within the business to effectively position the business for the delivery

of the new strategy, in particular reshaping the UK and International directorates. A new pension scheme was implemented for staff in the UK business and reviews of the pension provisions across the Sub-Saharan African business to ensure value for money for staff and a meaningful contribution to their retirement provisions.

We are a Disability Confident employer which reinforces our full commitment to undertaking activities that make a real difference to people with disabilities. This includes giving full and fair consideration to disabled applicants for employment in line with our inclusion and diversity strategy, having regard to their aptitudes and abilities; continuing the employment of, and arranging training for employees who have become disabled while employed; and focusing on the training, career development and promotion of people with disabilities.

We continue to take a proactive approach to employee engagement and partnered with Gallup for a second year to ensure that we respond to previous feedback and create a working environment in which all colleagues can thrive and achieve their full potential. 2024/25 results tell us that we have stayed broadly where we were last year, which given the changes in the Executive Team along with wider organisation changes, is a satisfactory outcome.

We focused our efforts on the 'Basic Needs' questions and strengthened our Continuous Performance Management process. This led to measurable improvements, and the impact of more frequent, meaningful conversations can be seen in improved scores i.e. 'In the last six months, someone at work has talked to me about my progress' (3.99 to 4.12), 'This last year, I have had opportunities at work to learn and grow' (3.95 to 4.06) and 'My manager, or someone at work, seems to care about me as a person' (4.12 to 4.21).

Another area that is particularly important to us is that of respect at work, so we were pleased to see that score sustain its improvement, moving from 4.17 to 4.23. We hope to see further improvement in this area as a result of our ongoing work on Inclusion & Diversity.

3.6 RISK MANAGEMENT AND INTERNAL CONTROL

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

Risk management

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

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

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

Internal control

The Audit and Finance Committee provides independent oversight of the effectiveness of the systems of internal control and is responsible for reviewing and approving the annual internal audit programme, reviewing the key findings of the internal audit reports as well as monitoring the implementation of accepted recommendations. The committee also meets at least twice a year with the external auditors, both with and without management, to discuss the annual statutory audit and any internal control weaknesses identified in the management letter.

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

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

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

The Trustees' Annual Report and Strategic Report was approved by the Board of Trustees on 6th February 2025 and signed on its behalf by:



Ilse Howling
Chair
6th February 2025

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

4.1 CHARITY DETAILS

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

4.2 TRUSTEES

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

- » Ilse Howling – Chair; Chair of Nominations Committee; People, Culture and Remuneration Committee; Operational Committee
- » Tanya Barron – Chair of Corporate Safeguarding Committee; Audit and Finance Committee; People, Culture and Remuneration Committee
- » Timothy Coulson – Education Impact Committee
- » Julia Grant
- » Nimal Hemelge – Audit and Finance Committee; Digital Strategy and Innovation Committee
- » Robert Humphreys (to July 2024) – Chair of Audit and Finance Committee
- » Joy Hutcheon – Chair of People, Culture and Remuneration Committee; Audit and Finance Committee; Nominations Committee
- » Angela McFarlane – Chair of Education Impact Committee
- » Jonathan Simons – Education Impact Committee
- » Anne Tutt (from May 2024) – Chair of Audit and Finance Committee; Digital Strategy and Innovation Committee; Operational Committee
- » Muchemi Wambugu – Chair of Digital Strategy and Innovation Committee; Education Impact Committee

4.3 MEMBERS

Currently Education Development Trust has 34 members. The members take an active role in our work and share their educational experience and expertise for the benefit of EDT. The membership appoints the trustees and is responsible for reviewing the work of EDT, principally at the Annual General Meeting.

4.4 PRESIDENT AND VICE PRESIDENT

Sara Hodson was appointed as EDT's President on 9 May 2024, having previously acted as EDT's Vice President.

4.5 EXECUTIVE

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

- » Dan Sandhu (Chief Executive Officer) from 4 September 2023
- » Mick Dyson (Chief Financial Officer)
- » Sarah Farquhar (Chief People Officer)
- » Tony McAleavy (Chief Education and Skills Officer)
- » Kurt Weideling (Chief Digital and Information Officer) from 20 November 2023
- » Ross Anderson (Managing Director UK) from 4 December 2023
- » Fadi Khalek (Managing Director International) from 1 August 2024

The following were departing members of the Executive during the year:

- » Tarek Alami (Director Africa, Middle East and Asia) to 15 March 2024
- » Patrick Brazier (Chief Executive) to 1 September 2023
- » Steve Cutts (Interim Director UK) from 15 May 2023 to 19 January 2024
- » Cheryl McGeachie (Director Marketing and Business Development) to 28 June 2024
- » Anna Riggall (Director Research and Consultancy) to 31 July 2024

4.6 BANKERS AND PROFESSIONAL ADVISERS

Bankers	Lloyds Bank Plc 24 Broad Street Reading RG1 2BT	Auditor	Crowe U.K. LLP 4 th Floor, St James House St James' Square Cheltenham GL50 3PR
Investment Managers	Newton Investment Management Limited 160 Queen Victoria Street London EC4V 4LA		Legal and General Investment Management One Coleman Street London EC2R 5AA
Legal Advisers	Clarkslegal LLP 5th Floor, Thames Tower Station Road Reading RG1 1LX		Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF
Legal Advisers (International)	Eversheds Sutherland One Wood Street London EC2V 7WS		

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

Opinion

We have audited the financial statements of Education Development Trust ('the charitable company') and its subsidiaries ('the group') for the year ended 31 August 2024 which comprise Consolidated and Charity Statements of Financial Activities, Consolidated and Charity Balance Sheets and Consolidated Cash Flow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- » give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2024 and of the group's income and expenditure, for the year then ended;
- » have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- » have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

In auditing the financial statements, we have concluded that the trustee's 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 or the group'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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover

the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 rise to 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 our audit

- » the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- » the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- » adequate and proper accounting records have not been kept; 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 25 and 26, 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.

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members, including significant component audit teams. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were anti-fraud, bribery and corruption legislation, taxation legislation and employment legislation. We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

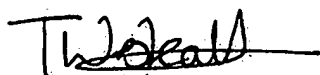
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of

management, internal audit, and the Audit and Finance Committee about their own identification and assessment of the risks of irregularities, designing and performing audit procedures over the timing of grant and contract income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Tara Westcott
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Cheltenham

Date: 19 February 2025

6 CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 August 2024

				Year to 31 August 2024	Year to 31 August 2023
	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Total £'000
INCOME					
<u>Income from investments</u>	1d				
Dividends receivable		82	93	175	234
Rental income		415	-	415	407
Interest income		617	-	617	213
<u>Income from charitable activities</u>	1d				
UK		32,367	6,496	38,863	36,887
Africa, Middle East and Asia		28,125	-	28,125	39,052
Research and Consultancy		1,216	66	1,282	4,006
Independent Schools		10,911	-	10,911	10,378
Total income	2a	73,733	6,655	80,388	91,177
EXPENDITURE					
<u>Expenditure on raising funds</u>					
Investment managers' fees	1e	8	12	20	51
Other costs		409	-	409	408
<u>Expenditure on charitable activities</u>	1e				
UK		30,476	6,496	36,972	35,206
Africa, Middle East and Asia		29,500	-	29,500	40,120
Research and Consultancy		1,670	299	1,969	4,497
Independent Schools		11,239	-	11,239	10,111
Total expenditure	5	73,302	6,807	80,109	90,393
Total income less total expenditure		431	(152)	279	784
Net gains on investments	8	422	548	970	7
Net income	2b	853	396	1,249	791
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	14	(60)	-	(60)	(5,445)
Exchange losses on conversion of subsidiaries		(43)	-	(43)	(650)
Total recognised losses		(103)	-	(103)	(6,095)
Net movement in funds before minority interest		750	396	1,146	(5,304)
Less: Minority interest		(549)	-	(549)	(54)
Net movement in funds after minority interest		201	396	597	(5,358)
Balance brought forward at 1 September		23,714	5,623	29,337	34,695
Balance carried forward at 31 August		23,915	6,019	29,934	29,337

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

The notes on pages 39 to 61 form an integral part of these financial statements.

STATEMENT OF FINANCIAL ACTIVITIES – CHARITY ONLY
For the year ended 31 August 2024

				Year to 31 August 2024	Year to 31 August 2023
	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Total £'000
INCOME					
<u>Income from investments</u>	1d				
Dividends receivable		409	93	502	726
Rental income		408	-	408	398
Interest income		454	-	454	116
<u>Income from charitable activities</u>	1d				
UK		32,367	6,496	38,863	36,887
Africa, Middle East and Asia		6,997	-	6,997	18,832
Research and Consultancy		1,216	66	1,282	4,006
Independent Schools		8,679	-	8,679	8,089
Total income		50,530	6,655	57,185	69,054
EXPENDITURE					
<u>Expenditure on raising funds</u>					
Investment managers' fees	1e	8	12	20	51
Other costs		409	-	409	408
<u>Expenditure on charitable activities</u>	1e				
UK		32,837	6,496	39,333	36,628
Africa, Middle East and Asia		6,935	-	6,935	19,013
Research and Consultancy		1,748	299	2,047	4,651
Independent Schools		9,036	-	9,036	7,970
Total expenditure		50,973	6,807	57,780	68,721
Total income less total expenditure		(443)	(152)	(595)	333
Net gains on investments	8	422	548	970	7
Net (expenditure) / income		(21)	396	375	340
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	14	(60)	-	(60)	(5,445)
Total recognised losses		(60)	-	(60)	(5,445)
Net movement in funds		(81)	396	315	(5,105)
Balance brought forward at 1 September		18,345	5,623	23,968	29,073
Balance carried forward at 31 August		18,264	6,019	24,283	23,968

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

The notes on pages 39 to 61 form an integral part of these financial statements.

BALANCE SHEETS
As at 31 August 2024

		-----GROUP-----		-----CHARITY-----	
		As at	As at	As at	As at
		31/08/24	31/08/23	31/08/24	31/08/23
	Notes	£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible assets	1f, 7	5,079	5,242	4,056	4,216
Investments	1h, 8	13,839	9,444	13,839	9,444
Investments in Group undertakings	9	-	-	203	203
Total fixed assets		18,918	14,686	18,098	13,863
CURRENT ASSETS					
Debtors: Amounts falling due within one year	10	15,384	18,226	11,835	14,833
Cash at bank and in hand		21,604	21,961	13,673	14,583
		36,988	40,187	25,508	29,416
CURRENT LIABILITIES					
Creditors: Amounts falling due within one year	11	(22,207)	(22,058)	(18,748)	(18,735)
Net current assets		14,781	18,129	6,760	10,681
Total assets less current liabilities		33,699	32,815	24,858	24,544
Provision for liabilities and charges	13	(596)	(596)	(575)	(576)
Defined benefit pension schemes	14	-	-	-	-
NET ASSETS		33,103	32,219	24,283	23,968
CHARITABLE FUNDS					
Unrestricted funds (excluding defined benefit pensions)		23,915	23,714	18,264	18,345
Restricted funds	12	6,019	5,623	6,019	5,623
SUB TOTAL FUNDS (excluding pension liabilities)		29,934	29,337	24,283	23,968
Defined benefit pension asset	14	-	-	-	-
TOTAL FUNDS (excluding minority interest)		29,934	29,337	24,283	23,968
Minority interests		3,169	2,882	-	-
TOTAL FUNDS		33,103	32,219	24,283	23,968

The notes on pages 39 to 61 form an integral part of these financial statements.

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



Ilse Howling
Chair
Dated: 6th February 2025

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 August 2024

	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
<u>Cash flows from operating activities</u>		
Net income for the year	1,249	791
Adjustments for:		
Depreciation on tangible fixed assets	1,094	1,097
(Profit) / loss on sale of tangible fixed assets	(17)	5
Profit on sale of subsidiary	(431)	(585)
Decrease / (increase) in debtors	2,842	(1,145)
Decrease in creditors	149	1,316
Decrease in provisions	-	(18)
Less dividends receivable	(175)	(234)
Less interest receivable	(617)	(213)
Post-retirement benefits adjustment	(60)	(263)
Dividends paid to minority interest	(263)	(409)
Gains on investments	(970)	(7)
Exchange (gains) / losses on fixed assets	(23)	250
Exchange losses on conversion of cash	15	23
Exchange losses on conversion of opening reserves of foreign subsidiaries	(43)	(650)
Net cash generated from / (used in) operating activities	2,750	(42)
<u>Cash flows from investing activities</u>		
Interest received	617	213
Dividends received from investments	175	234
Sale of subsidiary	583	585
Purchase of tangible fixed assets	(1,059)	(711)
Sale of tangible fixed assets	17	-
Purchase of fixed asset investments	(9,137)	(2,403)
Sale of fixed asset investments	5,680	2,299
Net cash (used in) / generated from investing activities	(3,124)	217
Net (decrease) / increase in cash and cash equivalents in the year	(374)	175
Cash and cash equivalents at the beginning of the year	21,995	21,843
Change in cash and cash equivalents due to exchange rate movements	(15)	(23)
Total cash and cash equivalents at the end of the year	21,606	21,995
<u>Cash and cash equivalents:</u>		
Cash at bank and in hand	21,604	21,961
Cash at investments managers – money market deposits	2	34
Total cash and cash equivalents	21,606	21,995

The notes on pages 39 to 61 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2024**1. PRINCIPAL ACCOUNTING POLICIES****a. Basis of accounting and consolidation**

Education Development Trust is a charitable company limited by guarantee, incorporated in England and Wales (Charity Number 270901 / Company Number 867944). The address of its registered office is Highbridge House, 16-18 Duke Street, Reading, RG1 4RU. The financial statements have been prepared under the historical cost convention, except for investments which are included at market value. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

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

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

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

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

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

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

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

b. Going Concern

We set a budget and a 3-year plan annually. In 2024, we developed a 5-year plan in line with our corporate strategy, to August 2029. The Board of Trustees and the Executive actively monitor financial results against the budget on a monthly basis. Regular forecasts with associated risks and opportunities are produced for the current financial year, to identify actions to optimise financial performance by mitigating risks and realising opportunities.

We monitor solvency by projecting income, net income, free reserves and cash to August 2026. We have reviewed this analysis on a regular basis up to the date of signing the report. We use a range of scenarios to stress test cash and reserves. This testing shows that we have adequate headroom for cash and a strong balance sheet. On this basis, while an amount of uncertainty about the volume and timing of new business exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern. The Board of Trustees therefore considers it appropriate for the accounts to be prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024**1. PRINCIPAL ACCOUNTING POLICIES (continued)****c. Critical accounting judgements and estimations**

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

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

(ii) Recognition of pension scheme asset – in line with FRS102, the Charity only recognises a defined benefit asset to the extent it is considered recoverable through reduced contributions in the future, or through refunds from the scheme. The appropriate accounting treatment is determined for each scheme separately based on review and interpretation of the scheme rules.

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

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

d. Income

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

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

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

Income from charitable activities has been split under the four key activities identified to meet the Charity's objectives: UK, Africa, Middle East and Asia, Research and Consultancy and Independent Schools.

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

- income from tuition and nursery fees is recognised to the extent that the related services have been provided;
- income from contracts is recognised using the stage of completion method which is equivalent to the aggregate of related expenditure incurred plus a portion of estimated surplus. Anticipated losses on contracts are charged to the Statement of Financial Activities in their entirety when losses become evident;
- grants receivable income, where related to performance and specific deliverables, is accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 August 2024

1. PRINCIPAL ACCOUNTING POLICIES (continued)

e. Expenditure

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

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

Expenditure on charitable activities has been split under the four key activities identified namely: UK, Africa, Middle East and Asia, Research and Consultancy and Independent Schools. Further detail of the work within each of these areas is detailed in the Strategic Report.

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

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

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

Redundancy, termination, and ex gratia payments are accounted for in full in the year that the departure is agreed.

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

f. Tangible fixed assets

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

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

Assets under construction are not depreciated until they are brought into use.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024**1. PRINCIPAL ACCOUNTING POLICIES (continued)****f. Tangible fixed assets (continued)**

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

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

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

g. Impairment of fixed assets

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

h. Investments

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

i. Financial instruments

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024**1. PRINCIPAL ACCOUNTING POLICIES (continued)****j. Pension scheme arrangements****(i) Defined contribution scheme**

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

(ii) Defined benefit scheme

The Charity contributed to defined benefit pension schemes.

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

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

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

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

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

k. Holiday pay accrual

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

l. Operating leases

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

m. Foreign currency translation**(i) Functional and presentation currency**

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024**1. PRINCIPAL ACCOUNTING POLICIES (continued)****m. Foreign currency translation (continued)****(ii) Transactions and balances**

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

(iii) Translation of group entities

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

n. Restricted funds

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024

2. SEGMENTAL ANALYSIS

(a) Group income relating to operating activities	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
An analysis of Group turnover by geographical segment is given below:		
United Kingdom	48,788	48,649
South Asia and South East Asia	17,139	16,493
Middle East	6,570	6,620
Africa	7,784	19,386
Europe and other	107	29
	80,388	91,177

(b) Net income	£'000	£'000
An analysis of the net (deficit) / surplus by geographical segment is given below:		
United Kingdom	(1,990)	(2,273)
South Asia and South East Asia	2,553	1,471
Middle East	171	143
Africa	486	1,460
Europe and other	29	(10)
	1,249	791

3. STAFF AND TEACHER COSTS

	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
Wages and salaries	40,075	41,856
Redundancy, termination or ex gratia payments	641	695
Social security costs	2,436	2,472
Pensions	1,597	1,786
Temporary staff	522	423
	45,271	47,232

Redundancy, termination, and ex gratia payments were incurred as part of the ongoing evolution of the business and were accounted for in full in the year that the departure was agreed. The amount payable at 31 August 2024 was £265,000 (2022/23: £130,279) and is included within Creditors.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024
3. STAFF AND TEACHER COSTS (continued)

Staff members whose total annual remuneration was in the ranges:	Year to 31 August 2024	Year to 31 August 2023
	No. of Staff	No. of Staff
£60,000 – £69,999	22	26
£70,000 – £79,999	14	21
£80,000 – £89,999	14	11
£90,000 – £99,999	5	2
£100,000 – £109,999	1	3
£110,000 – £119,999	3	2
£120,000 – £129,999	5	3
£130,000 – £139,999	3	1
£140,000 – £149,999	1	-
£170,000 – £179,999	-	1
£180,000 – £189,999	-	1
£190,000 – £199,999	1	-
£200,000 – £209,999	1	-
£210,000 – £219,999	-	1
£230,000 – £239,999	-	1
	70	73

Total annual remuneration includes redundancy, termination and ex gratia payments.

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

The Chief Executive Officer had total annual remuneration in the £190,000 - £199,999 range (2022/23: £180,000 - £189,999 range).

Total employer pension contributions for the provision of money purchase schemes totalled £278,627 (2022/23: £284,807) for those staff whose total remuneration was more than £60,000.

	Year to 31 August 2024	Year to 31 August 2023
	No. of Staff	No. of Staff
The number of staff whose remuneration was more than £60,000 to whom retirement benefits are accruing under:		
- money purchase schemes	51	48
- defined benefit schemes	2	2

The average monthly number of persons employed by the Group during the period was:	1,159	1,271

Key management personnel

The total employment benefits of the key management personnel was £1,562,690 (2022/23: £1,541,671) and total employer pension contributions for nine people was £73,780 (2022/23: £105,225 for eight people). Redundancy pay of £117,639 (2022/23: £130,183) was paid to key management personnel.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024

4. NET INCOME	Year to	Year to
is stated after charging / (crediting)	31 August 2024	31 August 2023
	£'000	£'000
Auditors' remuneration:		
Group audit (Charity 2023/24: £60,250, 2022/23: £58,500)	66	64
Audits of international subsidiaries	33	27
Internal audit	99	36
Depreciation (note 7)	1,094	1,097
Remuneration of the Board of Trustees (note 6)	148	142
Exchange differences	80	72
Operating lease rentals: Property	1,061	1,151
(Gain) / loss on sale of tangible fixed assets	(17)	5

5. ANALYSIS OF TOTAL EXPENDITURE – GROUP

	Direct Staff Costs	Support Staff Costs	Materials Production and Training Delivery	Premises	Other Project Expenditure (including depreciation)	Other Support Expenditure	Year to 31 August 2024	Year to 31 August 2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>Expenditure on charitable activities</u>								
UK	17,143	3,458	252	148	13,683	2,288	36,972	35,206
Africa, Middle East and Asia	12,812	2,487	932	283	11,281	1,705	29,500	40,120
Research and Consultancy	1,972	113	78	1	(251)	56	1,969	4,497
Independent Schools	6,321	965	31	1,312	2,588	22	11,239	10,111
	38,248	7,023	1,293	1,744	27,301	4,071	79,680	89,934
Investment manager's fees	-	-	-	-	-	20	20	51
Other costs	-	-	-	-	-	409	409	408
Total expenditure	38,248	7,023	1,293	1,744	27,301	4,500	80,109	90,393

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024

6. TRANSACTIONS WITH TRUSTEES AND CONNECTED PARTIES

			Year to 31 August 2024	Year to 31 August 2023
(a) Trustees' remuneration and transactions				
Recipient		Nature	£	£
I Howling		Remuneration	30,000	29,167
R Humphreys	to 3 July 2024	Remuneration	13,462	15,625
C Gilbert	to 18 May 2023	Remuneration	-	11,083
A McFarlane		Remuneration	16,000	15,625
J Hutcheon		Remuneration	16,000	15,625
J Grant		Remuneration	10,500	10,125
T Barron		Remuneration	16,000	11,707
J Simons		Remuneration	10,500	10,125
N Hemelge		Remuneration	10,500	10,125
M Wambugu		Remuneration	10,285	10,271
T Coulson	from 18 May 2023	Remuneration	10,500	3,001
A Tutt	from 16 May 2024	Remuneration	4,688	-
			148,435	142,479

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

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

(b) Expenses reimbursed to, and paid on behalf of, the Board of Trustees	Number of Board Members 2023/24	Number of Board Members 2022/23	Year to 31 August 2024 £	Year to 31 August 2023 £
Nature of expense				
Travel expenses	6	6	7,231	7,265
Subsistence / meals / hospitality	10	10	823	1,327
Hotels / accommodation	9	3	2,761	1,082
Other expenses	10	10	1,553	650
			12,368	10,324

(c) Transactions with connected parties

(i) **Subsidiary undertakings**

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

	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
CfBT Education Services (B) Sdn Bhd	1,102	1,306
EDT Middle East Educational Consultancy LLC	433	398
International School of Cape Town (Pty) Ltd	50	31

During the year Education Development Zimbabwe (Private) Ltd charged the Charity £2,600,770 (2022/23: £3,205,948) in relation to work performed for the Charity.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024

6. TRANSACTIONS WITH TRUSTEES AND CONNECTED PARTIES (continued)

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

	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
CfBT Education Services (B) Sdn Bhd	742	788
EDT Middle East Educational Consultancy LLC	(95)	(159)
International School of Cape Town (Pty) Ltd	521	795
Education Development Zimbabwe (Private) Ltd	(59)	(157)
CfBT Education Services Limited	(56)	(56)

The above balances are repayable to the Charity. Provisions are made against balances where repayment is doubtful (2023/24: no provisions).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024
7. TANGIBLE FIXED ASSETS

	Freehold Property £'000	Long term Leasehold Property £'000	Leasehold Improvement £'000	Motor Vehicles £'000	Office Fixtures £'000	IT Systems & Computers £'000	Assets Under Construction £'000	Total £'000
Group								
Cost								
As at 1 September 2023	3,133	1,196	5,121	385	1,678	4,323	202	16,038
Additions	60	-	87	30	78	363	441	1,059
Transfer	-	-	113	-	69	-	(182)	-
Disposals	314	(1,196)	-	(48)	(14)	(201)	-	(1,145)
Exchange adjustment	25	-	3	4	2	13	-	47
As at 31 August 2024	3,532	-	5,324	371	1,813	4,498	461	15,999
Depreciation								
As at 1 September 2023	1,214	1,026	3,326	379	1,189	3,662	-	10,796
Charge for year	89	18	306	10	189	482	-	1,094
Eliminated on disposal	314	(1,044)	-	(48)	(14)	(201)	-	(993)
Exchange adjustment	(1)	-	2	1	9	12	-	23
As at 31 August 2024	1,616	-	3,634	342	1,373	3,955	-	10,920
Net book value at 31 August 2024	1,916	-	1,690	29	440	543	461	5,079
Net book value at 31 August 2023	1,919	170	1,795	6	489	661	202	5,242
		Freehold Property £'000	Leasehold Improvement £'000	Motor Vehicles £'000	Office Fixtures £'000	IT Systems & Computers £'000	Assets Under Construction £'000	Total £'000
Charity								
Cost								
As at 1 September 2023		2,310	4,915	90	1,551	4,053	202	13,121
Additions		-	81	-	42	224	441	788
Transfer		-	113	-	69	-	(182)	-
Disposals		(30)	-	(21)	(8)	(201)	-	(260)
Exchange adjustment		-	2	2	-	4	-	8
As at 31 August 2024		2,280	5,111	71	1,654	4,080	461	13,657
Depreciation								
As at 1 September 2023		1,080	3,203	82	1,102	3,438	-	8,905
Charge for year		46	294	5	172	431	-	948
Eliminated on disposal		(30)	-	(21)	(8)	(201)	-	(260)
Exchange adjustment		-	2	3	1	2	-	8
As at 31 August 2024		1,096	3,499	69	1,267	3,670	-	9,601
Net book value at 31 August 2024		1,184	1,612	2	387	410	461	4,056
Net book value at 31 August 2023		1,230	1,712	8	449	615	202	4,216

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024
8. FIXED ASSET INVESTMENTS
Portfolio structure

	-----Group and Charity-----			
	-----31 August 2024-----		-----31 August 2023-----	
	%	£'000	%	£'000
Fixed income	-	-	12.6%	1,188
Equities	-	-	31.1%	2,941
Multi Asset Funds	99.0%	13,704	51.5%	4,862
Other	1.0%	133	4.4%	419
Cash held by investment managers	0.0%	2	0.4%	34
Market value as at 31 August	100%	13,839	100%	9,444

Movement in market value of investments

	2023/24 £'000	2022/23 £'000
Opening market value as at 1 September	9,444	9,476
Additions	9,137	2,403
Disposals	(5,680)	(2,299)
Gains	970	7
Decrease in cash	(32)	(143)
Closing market value as at 31 August	13,839	9,444

Historical cost of investment portfolio

	-----Group and Charity-----	
	2024 £'000	2023 £'000
Costs as at 31 August	10,961	7,180

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024
9. INVESTMENTS IN SUBSIDIARIES

The Charity holds investments in principal undertakings as follows:

	Address /Country of Registration	Company No	% Holding of Issued Share Capital	Turnover £'000	Expenditure £'000	Net Assets £'000
Africa, Middle East and Asia						
CfBT Education Services (B) Sdn Bhd	Unit 5-6, Block D, Kiarong Complex, Lebuhraya Sultan Haji Hassanah Bolkiah, Bandar Seri Begawan BE1318 Brunei Darussalam	n/a	55%	16,717	15,492	6,153
EDT Middle East Educational Consultancy LLC	603, Shk. Rashid Bin Saeed St. Al Nahyan, Post Box No. 22229 Abu Dhabi, UAE	n/a	49%	6,031	5,966	2,000
Education Development Zimbabwe (Private) Ltd	99 Churchill Avenue, Gunhill Harare, Zimbabwe	11145/2022	100%	2,621	2,621	149
Independent Schools						
International School of Cape Town (Pty) Ltd	Woodland Heights, 4 Edinburgh Close, Claremont, 7806, South Africa	2002/026764/07	100%	2,318	2,176	1,130

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

On 18 February 2022, Education Development Trust entered into an arrangement to sell its shares in Waverley School (Waverley Way) Limited, a UK subsidiary of the Charity, in three stages over a period of two years. The final stage of the sale completed during the current financial year and the subsidiary has been deconsolidated from the Group.

On 25th May 2023, a subsidiary of the Charity based in Malaysia, CfBT Multimedia Education Sdn Bhd, was dissolved.

Since year end, we sold 100% of the shares in International School of Cape Town to another proprietor.

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

INVESTMENTS
CHARITY

**Subsidiary
Investment Total
£'000**

Cost as at 1 September 2023 and 31 August 2024	203

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024
10. DEBTORS

	Group		Charity	
	As at 31/08/24 £'000	As at 31/08/23 £'000	As at 31/08/24 £'000	As at 31/08/23 £'000
Amounts falling due within one year				
Trade debtors	8,693	6,793	7,110	5,405
Amounts owed by Group undertakings	-	-	1,263	1,583
Other debtors	1,521	1,925	543	532
Prepayments	1,400	1,362	536	472
Accrued income	3,770	8,146	2,383	6,841
	15,384	18,226	11,835	14,833

11. CREDITORS

	Group		Charity	
	As at 31/08/24 £'000	As at 31/08/23 £'000	As at 31/08/24 £'000	As at 31/08/23 £'000
Amounts falling due within one year				
Trade creditors	874	1,788	863	1,755
Amounts owed to Group undertakings	-	-	210	372
Monies held on behalf of third parties	724	713	713	713
Taxation and social security	1,624	1,587	1,223	1,369
Other creditors	2,240	2,503	322	453
Accruals	3,370	4,480	2,491	3,509
Deferred income	13,375	10,987	12,926	10,564
	22,207	22,058	18,748	18,735

	Group		Charity	
	As at 31/08/24 £'000	As at 31/08/23 £'000	As at 31/08/24 £'000	As at 31/08/23 £'000
Movement in deferred income				
Opening balance at 1 September	10,987	7,929	10,564	7,399
Utilised in the year	(10,987)	(7,929)	(10,564)	(7,399)
Income deferred in the year	13,375	10,987	12,926	10,564
Closing balance at 31 August	13,375	10,987	12,926	10,564

Deferred income relates to tuition fee and contract income received in advance of related services being provided and to performance related grants where income is received in advance of entitlement.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024
12. RESTRICTED FUNDS

	European Social Fund Grants £'000	Grants from the UK Department for Education £'000	UK Shared Prosperity Fund Grants £'000	Other Restricted Grants £'000	Alexandria Schools Trust £'000	Total Restricted Funds £'000
Balance at 31 August 2022	-	-	-	-	5,769	5,769
Income	7,306	1,995	-	112	140	9,553
Expenditure	(7,306)	(1,995)	-	(112)	(289)	(9,702)
Net gains on investments	-	-	-	-	3	3
Balance at 31 August 2023	-	-	-	-	5,623	5,623
Income	2,957	2,187	1,352	66	93	6,655
Expenditure	(2,957)	(2,187)	(1,352)	(66)	(245)	(6,807)
Net gains on investments	-	-	-	-	548	548
Balance at 31 August 2024	-	-	-	-	6,019	6,019
Restricted Fund Balance Sheet as at 31 August 2024						
Investments	-	-	-	-	6,037	6,037
Current Liabilities	-	-	-	-	(18)	(18)
Net assets as at 31 August 2024	-	-	-	-	6,019	6,019
Restricted Fund Balance Sheet as at 31 August 2023						
Investments	-	-	-	-	5,655	5,655
Current Liabilities	-	-	-	-	(32)	(32)
Net assets as at 31 August 2023	-	-	-	-	5,623	5,623

European Social Fund and UK Shared Prosperity Fund grants relate to skills and employability projects delivered in England.

Grants from the UK Department for Education relate to the Behaviour Hubs programme.

All restricted grants are used for specific purposes as stipulated by the donor.

The assets of Alexandria Schools Trust were transferred to Education Development Trust on 1 April 2014. As part of the transfer agreement the former trustees of Alexandria Schools Trust placed restrictions on the use of the funds and therefore the fund is still treated as restricted in the Charity.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024
13. PROVISION FOR LIABILITIES AND CHARGES
GROUP

	Dilapidations	Other	Pension deficit	Total
	£'000	payments	reduction	
		£'000	£'000	£'000
As at 1 September 2023	569	20	7	596
Utilised during the year	-	-	(7)	(7)
Charge / (release) for the year	6	1	-	7
As at 31 August 2024	575	21	-	596

CHARITY

As at 1 September 2023	569	-	7	576
Utilised during the year	-	-	(7)	(7)
Charge / (release) for the year	6	-	-	6
As at 31 August 2024	575	-	-	575

Provisions due in over one year

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

	Dilapidations	Other	Pension deficit	Total
	£'000	£'000	reduction	
			payments	£'000
			£'000	
As at 31 August 2024	521	-	-	521
As at 31 August 2023	533	-	2	535

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

The provision for pension deficit reduction payments related to membership of the Pension Trust's Growth Plan. The £7,000 provision as at 31 August 2023 shown above represented the present value of contributions payable by Education Development Trust resulting from the terms of the deficit recovery plan. Education Development Trust has exited the scheme during the current financial year.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024**14. PENSIONS**

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

a. Defined contribution schemes

The assets of these schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the fund and amounted to £1,290,442 (2022/23: £1,292,857). Contributions totalling £228,294 (2022/23: £231,510) were payable to the fund at the year end and are included in creditors.

The Group also participated in the Pension Trust's Growth Plan. This is a funded, multi-employer scheme with defined benefit characteristics. As it is not possible to identify on a consistent basis the share of underlying assets and liabilities belonging to an individual employer, this scheme is treated as a defined contribution scheme. Contributions payable in the year, amounted to £840 (2022/23: £4,862). The results of the Growth Plan scheme valuation as at 30 September 2020 showed a deficit of £31.6m. A recovery plan was established which aimed to eliminate the funding deficit over a period of 2 years and 10 months from April 2022. The additional employer contributions required from Education Development Trust as part of this recovery plan were £5k per annum. In line with the requirements of the SORP and FRS 102, the present value of contributions payable under the terms of this recovery plan must be recognised as a liability and the position as at 31 August 2023 is detailed at note 13. Education Development Trust exited the plan in the current financial year.

b. Defined benefit scheme

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

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

The Charity is aware of the Virgin Media v NTL Pension Trustees II Limited Court of Appeal judgement which may give rise to adjustments to the schemes. At present the legal process is incomplete and therefore we are unable to quantify any potential liabilities.

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

Derivation of figures

The figures disclosed below have been derived by approximate methods from the latest full actuarial valuation of the funds. Each actuarial valuation was carried out by a qualified actuary independent of the plan's sponsoring employer. The latest actuarial valuations were carried out as at 31 March 2022 for the LGPS, as at 1 April 2021 for the Educational Exchanges Pension Scheme, as at 31 December 2023 for the Prudential Platinum scheme and as at 5 April 2021 for Mercer DB Master Trust Plan.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024
14. PENSIONS (continued)
Derivation of figures (continued)

	2023/24	2022/23
Assumptions		
RPI	3.00%-3.30%	3.30%-3.50%
CPI	2.00%-2.90%	2.30%-3.10%
Salary increases per annum	2.50%-3.80%	2.80%-3.85%
Pensions increases per annum	2.40%-3.10%	2.30%-3.10%
Discount rate per annum	4.95%-5.00%	5.30%-5.50%

Mortality assumptions

Each fund uses assumptions appropriate to that fund. The LGPS uses Club Vita tables with a long cohort projection and 1.25% improvement. The Educational Exchanges Pension Scheme, Prudential Platinum Scheme and Mercer DB Trust Plan all use the S3PA tables, long cohort with a 1.25% improvement.

	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
Composition of assets and liabilities		
Equities	6,859	6,320
Gilts	4,189	4,103
Other bonds / property	2,978	2,982
Cash / other	2,102	2,254
Plan assets at fair value	16,128	15,659
Derecognition of surplus*	(6,512)	(6,125)
Asset value recognised	9,616	9,534
Present value of funded liabilities	(9,616)	(9,534)
Net asset recognised	-	-

*The trustees believe that there is a significant uncertainty in the valuation of the pension scheme assets as many of the assumptions that are leading to the net asset position could quite plausibly unwind, which increases the uncertainty on whether the net asset will ever be recovered. Consequently, we consider the recoverability of a net pension asset to be uncertain and therefore falls below the recognition threshold required under FRS 102.

	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
Reconciliation of the present value of liabilities		
Opening present value of liabilities	9,534	8,731
Current service cost	112	143
Interest cost	504	367
Contributions by participants	24	24
Net benefits paid out	(400)	(357)
Recognition of insured annuity	-	1,893
Actuarial gains	(158)	(1,267)
Closing present value of liabilities	9,616	9,534

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024

14. PENSIONS (continued)

	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
Reconciliation of the fair value of assets		
Opening fair value of assets	15,659	13,913
Interest income	837	590
Re-measurement gains / (losses):		
Return on scheme assets excluding interest income	(157)	(531)
Other actuarial losses	-	(56)
Contributions by employer	260	256
Contributions by participants	24	24
Net benefits paid out	(400)	(357)
Recognition of insured annuity	-	1,893
Administration expenses	(95)	(73)
Closing fair value of assets	16,128	15,659

Return on assets

Actual return on assets	680	59

Amount recognised in the SOFA

Current service cost	112	143
Administration expenses	95	73
Interest expense on effect of asset ceiling	326	-
Net interest income	(333)	(223)
Expense / (income) recognised	200	(7)

	Year to 31 August 2024 £'000	Year to 31 August 2023 £'000
Analysis of actuarial (losses) / gains recognised within the SOFA gains and losses category		
Actual return less interest income included in net interest income	(157)	(531)
Other actuarial losses on assets	-	(56)
Experience gains and losses arising on the scheme liabilities	26	(382)
Changes in assumptions underlying the present value of scheme liabilities	132	1,649
Changes in impact of asset ceiling	(61)	-
Derecognition of surplus	-	(6,125)
Total actuarial losses	(60)	(5,445)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024
15. OPERATING LEASE COMMITMENTS

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

	At 31 August 2024 £'000	At 31 August 2023 £'000
Land and buildings		
Group		
Within one year	2,314	2,303
Within two to five years	2,533	2,972
After five years	7,504	7,791
	12,351	13,066
Charity		
Within one year	758	783
Within two to five years	2,170	2,512
After five years	7,504	7,791
	10,432	11,086

The land and building lease commitment figure for both the Charity and the Group includes a total of £1.5m (2022/23: £1.8m) relating to properties which are sub-let to another organisation.

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

	At 31 August 2024 £'000	At 31 August 2023 £'000
Land and buildings		
Group and Charity		
Within one year	431	401
Within two to five years	1,030	1,370
After five years	-	-
	1,461	1,771

16. CONTINGENT LIABILITIES

	At 31 August 2024 £'000	At 31 August 2023 £'000
Guarantees		
CfBT Education Services (B) Sdn Bhd	792	482
EDT Middle East Educational Consultancy LLC	5	64
	797	546

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024
17. PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	GROUP			CHARITY		
	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022/23 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022/23 £'000
INCOME						
<u>Income from investments</u>						
Dividends receivable	94	140	234	586	140	726
Rental income	407	-	407	398	-	398
Interest income	213	-	213	116	-	116
<u>Income from charitable activities</u>						
UK	27,586	9,301	36,887	27,586	9,301	36,887
Africa, Middle East and Asia	39,052	-	39,052	18,832	-	18,832
Research and Consultancy	3,894	112	4,006	3,894	112	4,006
Independent Schools	10,378	-	10,378	8,089	-	8,089
Total income	81,624	9,553	91,177	59,501	9,553	69,054
EXPENDITURE						
<u>Expenditure on raising funds</u>						
Investment managers' fees	20	31	51	20	31	51
Other costs	408	-	408	408	-	408
<u>Expenditure on charitable activities</u>						
UK	25,905	9,301	35,206	27,327	9,301	36,628
Africa, Middle East and Asia	40,120	-	40,120	19,013	-	19,013
Research and Consultancy	4,127	370	4,497	4,281	370	4,651
Independent Schools	10,111	-	10,111	7,970	-	7,970
Total expenditure	80,691	9,702	90,393	59,019	9,702	68,721
Total income less total expenditure	933	(149)	784	482	(149)	333
Net gains on investments	4	3	7	4	3	7
Net income / (expenditure)	937	(146)	791	486	(146)	340
<u>Other recognised gains and losses</u>						
Actuarial losses on defined benefit pension schemes	(5,445)	-	(5,445)	(5,445)	-	(5,445)
Exchange losses on conversion of subsidiaries	(650)	-	(650)	-	-	-
Total recognised gains / (losses)	(6,095)	-	(6,095)	(5,445)	-	(5,445)
Net movement in funds before minority interest	(5,158)	(146)	(5,304)	(4,959)	(146)	(5,105)
Less: minority interest	(54)	-	(54)	-	-	-
Net movement in funds after minority interest	(5,212)	(146)	(5,358)	(4,959)	(146)	(5,105)
Balance brought forward at 1 Sept 2022	28,926	5,769	34,695	23,304	5,769	29,073
Balance carried forward at 31 Aug 2023	23,714	5,623	29,337	18,345	5,623	23,968

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2024
18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	-----GROUP-----				-----CHARITY-----		
	Unrestricted Funds £'000	Restricted Funds £'000	Minority Interest £'000	Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000
Tangible assets	5,079	-	-	5,079	4,056	-	4,056
Investments	7,802	6,037	-	13,839	8,005	6,037	14,042
Net current assets / (liabilities)	11,630	(18)	3,169	14,781	6,778	(18)	6,760
Provisions for liabilities and charges	(596)	-	-	(596)	(575)	-	(575)
Defined benefit pension schemes	-	-	-	-	-	-	-
Net Assets as 31 August 2024	23,915	6,019	3,169	33,103	18,264	6,019	24,283
Tangible assets	5,242	-	-	5,242	4,216	-	4,216
Investments	3,789	5,655	-	9,444	3,992	5,655	9,647
Net current assets / (liabilities)	15,279	(32)	2,882	18,129	10,713	(32)	10,681
Provisions for liabilities and charges	(596)	-	-	(596)	(576)	-	(576)
Defined benefit pension schemes	-	-	-	-	-	-	-
Net Assets as 31 August 2023	23,714	5,623	2,882	32,219	18,345	5,623	23,968

19. FINANCIAL INSTRUMENTS

	Group		Charity	
	As at 31/08/24 £'000	As at 31/08/23 £'000	As at 31/08/24 £'000	As at 31/08/23 £'000
Financial assets held at amortised cost	35,588	38,825	24,972	28,944
Financial assets held at fair value	13,839	9,444	13,839	9,444
Financial liabilities held at amortised cost	7,208	9,484	4,599	6,802

Financial assets held at amortised cost comprise cash and debtors excluding prepayments.

Financial assets held at fair value are investments.

Financial liabilities held at amortised cost comprise creditors excluding taxation and deferred income.

Accounts

ANNUAL REPORT

2022/23

COMPANY NUMBER: 867944

CHARITY NUMBER: 270901

INTRODUCTION

The report and accounts for the 12 months ended 31 August 2023 have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' 2019 (Financial Reporting Standard 102), and the Companies Act 2006.

CONTENTS

	CHAIR'S REPORT	3
1	OBJECTIVES AND ACTIVITIES IN 2022/23	4
1.1	Vision, purpose and values	4
1.2	Organisational objectives 2022/23	4
1.3	Public benefit	6
2	STRATEGIC REPORT	6
2.1	Strategy	6
2.2	How we work	6
2.3	Educational impact	6
2.4	Safeguarding	12
2.5	Stakeholder engagement	13
2.6	Financial overview	14
2.7	Reserves policy	14
2.8	Investment policy and returns	15
2.9	Energy and carbon reporting	16
2.10	Fundraising	18
2.11	Principal risks	18
2.12	Financial risks	18
2.13	Operational plan 2023/24	19
3	STRUCTURE, GOVERNANCE AND MANAGEMENT	21
3.1	Structure	21
3.2	Governance	21
3.3	Responsibilities of the Board of Trustees	23
3.4	Management	24
3.5	Staff	24
3.6	Risk management and internal control	25
4	REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS	27
4.1	Charity details	27
4.2	Trustees	27
4.3	Members	27
4.4	President and Vice President	28
4.5	Executive	28
4.6	Bankers and professional advisers	28
5	INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF EDUCATION DEVELOPMENT TRUST	29
6	CONSOLIDATED FINANCIAL STATEMENTS AND NOTES	33

CHAIR'S REPORT

I am delighted to introduce this annual report, which describes the financial results and educational impact of EDT's global portfolio of activities in the period 2022/23. As an organisation, we seek to improve life chances wherever we work, and this report is testimony to our success in making a measurable positive difference to millions of young people and adults. We achieved income of £91.2m in 2022/23, an increase of £2.1m on 2021/22, exceeding our net income targets for the year by £1.5m and delivering a year-on-year increase in Charity and Group reserves. Our strong financial performance and reserves position provides a foundation for future impact.

The report documents our 'reach' and the remarkable number of people who have been involved in our programmes. Just as importantly, we present here some rich data about the changes for the better that have resulted from our interventions.

EDT is unusual in that we work in so many contrasting contexts including the UK, the Middle East and Asia, and countries in Sub-Saharan Africa. Regardless of the setting, we seek to provide evidence-based solutions to educational problems. There have been so many notable success stories this year: transforming the climate for learning in England's government schools through the Behaviour Hubs programme, completing the highly successful Girls Education Challenge project in some of the most disadvantaged neighbourhoods in Kenya, improving outcomes in core subjects across all the primary schools of Rwanda, exceeding national targets for our adult careers guidance service in several UK regions, and providing cutting edge thought leadership support for education reform in several countries through the What Works Hub project. This just a selection of this year's achievements and I could have chosen several others.

What is particularly heartening about the stories of impact presented in the strategic report is the way that our impact is underpinned by hard numbers. We need to prove that we are making a difference, and to do this properly we need robust measurement and we need to listen to our partners and beneficiaries.

As we look ahead to 2024, I am incredibly excited about the opportunities we have to grow EDT's impact still further, with huge potential to transform more lives, reduce social inequality and build brighter futures across the globe. We are always keen to hear from governments and other organisations around the world who share our passion for improving lives through education and look forward to continuing working with like-minded partners in the year ahead. I can't wait to see what we will achieve next.

I hope you enjoy reading this report and thanks to everyone who made the inspiring stories of change described here possible.



Ilse Howling
Chair of Trustees, Education Development Trust

1 OBJECTIVES AND ACTIVITIES IN 2022/23

1.1 VISION, PURPOSE AND VALUES

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

Our vision

A world where everyone's life is transformed through excellent education.

Our purpose

We strive to change education for good around the world, supporting leaders to raise standards, improve school performance, develop great teachers and open career pathways.

Our values

- » **Excellence** in learning outcomes, our people, our solutions and our delivery
- » **Integrity** in the way we build trust in and bring purpose to our work
- » **Accountability** through rigorous and transparent assessment of our performance
- » **Collaboration** by working together across teams and in partnership with clients and customers to build capacity
- » **Inclusion** both by encouraging diversity in our organisation and by serving those for whom education can have the most transformative impact

1.2 ORGANISATIONAL OBJECTIVES 2022/23

In 2022/23, the second year of our strategy, we focused on three core priorities for the successful management of a commercial contracts business: winning work, delivering effectively and ensuring commercial success, underpinned by the two key supporting functions of technology and people. Achievements during the period under review are summarised against each objective.

- » We will win **new business** generating £10m income in 2022/23 from an increasingly diverse client base. *We surpassed our income targets for the year but fell short of contribution and diversification targets. This is due to the mix of contracts won being more from our existing client base and at lower average margins than planned.*
- » We will be highly effective in **delivery** to ensure high-quality programmes with a focus on delivering measurable educational impact. *We improved our impact measurement, achieved our reach targets and achieved 'good' or better in all external evaluation reports. We met or exceeded 81% of our programme impact targets.*
- » Our **commercial** target is to deliver a net surplus before investment, delivering on our business model of full cost recovery in all business areas. *We delivered a net surplus before investment. All business areas except Research & Consultancy exceeded business model targets.*
- » We will initiate a **technology transformation** programme to realise our strategic objective to be seen as leaders at blending technology into education improvement and careers guidance. *We completed all transformation design outputs but encountered significant challenges implementing them. Tech change delivery is ongoing.*
- » We will support our **people** through a challenging cost of living crisis, continue to progress our ambitions for greater inclusion and diversity (I&D), and implement new systems to enhance personal and team development. *We provided targeted support to staff with a one-off cost of*

living payment. We made significant progress on our I&D ambitions but fell short of our target for the year. We implemented a new global learning and development platform. We did not achieve our target for employee satisfaction, but we implemented a new methodology for scoring employee satisfaction in 2022/23 using an external provider, Gallup. We are developing action plans to implement in 2023/24 to address the challenges arising from the survey.

Results for the year were tracked in our balanced scorecard, presented below.

NEW BUSINESS				
	Critical success factor	KPI	Target	Actual
1.1	We achieve our new business targets (current year)	New business income/contribution contributing to 2022/23	£10m/ £1.9m	£10.2m/ £1.2m
1.2	We achieve our new business targets (next year)	New business income/contribution contributing to 2023/24	£24.3m/ £4.8m	£25.9m/ £1.9m
1.3	We achieve our client diversification targets	Value of contracts won considered client diversification	£8.3m	£4.2m
COMMERCIAL				
	Critical success factor	KPI	Target	Actual
2.1	We achieve our income targets	2022/23 income from charitable activities	£93.0m	£90.3m
2.2	We achieve our financial model targets	2022/23 net contribution from charitable activities	2.0%	1.7%
2.3	We achieve our financial reserves targets	End of year UK free reserves cover (projected minus min. reserves)	£5.8m	£7.6m
DELIVERY				
	Critical success factor	KPI	Target	Actual
3.1	We achieve our reach targets	2021-24 Corporate Strategy targets	100%	100%
3.2	Delivery is good or better according to client/ independent evaluation	External evaluation reports grade delivery as good or better	100%	100%
3.3	We achieve our impact targets	Impact metrics for major contracts meet or exceed targets	100%	81%
TECHNOLOGY				
	Critical success factor	KPI	Target	Actual
4.1	We have the capability to manage our tech	Complete Transformation Design Outputs	100%	100%
PEOPLE				
	Critical success factor	KPI	Target	Actual
5.1	Colleagues are motivated and productive	Employee satisfaction score	4.1	3.8
5.2	We have a safe working environment that supports the wellbeing of colleagues	Sick days absence	2.6%	1.5%
5.3	Improving our employer brand	Number of followers on LinkedIn	110,000	122,000
5.4	We have a diverse and inclusive working environment	I&D strategy targets	85%	72%

1.3 PUBLIC BENEFIT

Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and are satisfied that all of our work is for the public benefit. Our educational performance is summarised in the Strategic Report, and particularly in section 2.3.

2 STRATEGIC REPORT

2.1 STRATEGY

This was the second year of our three-year strategy for 2021–24. The strategy articulates our intent to be world-leading in the design and delivery of high-impact, large-scale education change programmes and identifies the key areas for action for the three years starting in 2021/22.

Over the 3 years, we will work with education ministries to make education systems better, support school leaders to enhance school performance at scale, work with individuals to improve their career prospects, and contribute to the body of global evidence and insight into what works in education – and how, as a global community, we can reduce inequities in education around the world. Internally, as we emerge from the pandemic, we will take the best of what we have learnt from the crisis, and feature more adaptive working, closer collaboration with clients, geographically agnostic team-working, and more focus on our wellbeing.

We are working on our next strategy for the period 2024–2030, which we aim to publish in August 2024.

2.2 HOW WE WORK

We are organised in four operating activities. We deliver programmes at scale in the UK ('UK') and in Africa, Middle East and Asia ('AMEA'); we conduct research and provide education consultancy services ('Research and Consultancy'); and we manage private schools ('Independent Schools').

We have been researching and delivering programmes to improve education around the world, from early years to post-school careers, since 1968. We develop evidence-informed solutions that draw on our continuous research to bring about real change, raise educational standards, support global efforts to address learning crises and reduce inequalities of opportunity.

2.3 EDUCATIONAL IMPACT

Full information on the impact of all of the programmes listed here is available in our [Annual Impact report 2022/23](#).

Lives we touched this year

- » 12.3 million school-age learners (35% increase)
- » 89,000 adult learners and jobseekers (15% increase)
- » 300,000 teachers and 10,200 other education practitioners (71% increase)
- » 48,000 school leaders (14% increase)
- » 40,500 schools, colleges and TVET providers (91% increase)
- » 1,300 employers (88% increase)

Our impact in UK education, developing teachers and leaders

Across the UK, we empower teachers by providing high-quality professional development opportunities for educators at all levels – from those in pre-reception settings right through to those working with school leavers. We support teachers and leaders at all stages of their professional lives to improve teaching and learning outcomes and transform school cultures.

Our programmes offer teachers evidence-based, flexible training, helping them to thrive. This year, through our delivery of the National Professional Qualifications programme, funded by the UK Department for Education (DfE), we provided targeted support to 4,200 educators, helping leaders and aspiring leaders create positive change and improve pupil outcomes. Participants' feedback has been consistently positive: 96% of participants on our first specialist programme reported satisfaction.

Meanwhile, we have been working on our DfE-funded National Tutoring Programme, through which we deliver specialist training in tutoring best practice to educators, working to help children catch up after the Covid-19 pandemic. 93% of participants who responded to our survey told us they intend to apply what they have learnt from the training with their students. Among pupils, increased self-efficacy, increased engagement and increased motivation were observed.

We have expertise in supporting new and early careers teachers through the DfE-funded Early Career Professional Development Programme, delivered to 16,000 teachers and mentors across 3,000 schools this year. The programme delivers the Early Career Framework that builds the confidence and skills of early careers teachers, leading to higher retention and better outcomes for pupils. The framework also enables mentors to strengthen skills they can use throughout their careers. 92% of surveyed respondents in our second-year cohort felt that their learning had impacted positively on pupils' progress, motivation and engagement or closing the gap for disadvantaged students. School leaders reported that participating teachers are resilient, confident and ready earlier for positions of responsibility as a result of the quality of the programme.

This year, our flagship Schools Partnership Programme (SPP) supported 9,000 senior and middle leaders in UK schools. The programme provides continuous professional development training to these leaders within clusters of partnership schools to help them engage in a continuous cycle of self-review, peer review and school improvement. In a three-year evaluation of the programme, released by the Education Endowment Foundation in March 2023, 91% of participants rated the SPP resources as being of very high quality and 77% said that participating in SPP has increased confidence in their leadership team's capacity to make improvements within their school.

Meanwhile, our DfE-funded Behaviour Hubs teams worked with 474 schools this year, reaching 1,700 leaders at various levels, and facilitating connections between Lead Schools and Partner Schools to share their experiences and successes. The programme seeks to improve student outcomes, teacher wellbeing and retention, and national inspection ratings for schools experiencing challenging behaviour. Since joining the programme (although not exclusively because of it), 15 Partner Schools have gone from a 'requires improvement' to a 'good' Ofsted judgement. 100% of participating schools surveyed agreed that the programme had led to positive change and a positive impact on pupil behaviour.

Our DfE-funded Early Years Professional Development Programme (EYPDP) supports early years practitioners working with children in pre-Reception settings, helping them to improve their practice

and children's outcomes in communication and language, mathematics and personal, social and emotional development. In October 2022, we were awarded a contract by the DfE to continue to deliver the EYPDP, now moving into its third phase and available throughout England. Since then, we have reached 4,400 practitioners and 2,800 leaders of early years settings. 90% of surveyed practitioners who completed the first module of the programme agreed that the programme had helped to improve their everyday practice and 93% felt more confident in supporting children's communication and language development.

Our impact in UK employability and careers

We know how important it is that young people receive expert, informed advice and guidance as they make the critical transition from school to further learning and employment. This year, our employability and careers teams have worked with 100,000 young people, alongside 3,500 educators to support them as they make critical decisions about their lives and futures.

The Inspiring Careers programme has this year worked with the largest number of schools and colleges in its history, working directly with 18,700 secondary school and college students. 99% of the young people we worked with agreed that they were happy with the support they had received from their careers advisor.

Meanwhile, we continued to raise awareness of and encourage the uptake of apprenticeships among young people through our Apprenticeship Support and Knowledge programme, which provided 100,000 students with a greater understanding of the options available to them through apprenticeships, traineeships and T-levels. As a result of the programme, the percentage of students rating their knowledge of apprenticeships as 'excellent' or 'good' rose from 26% to 73%.

In addition to helping young people to plan their career trajectories, we also work with adult learners and jobseekers in many parts of the UK through other elements of our employability and careers portfolio. Through our work with the DfE-funded National Careers Service, for example, we support increased social mobility, by empowering thousands of customers with the skills and information they need to navigate the learning, employment and skills landscape and become aware of the wide range of learning and work opportunities available to them. This year, we have worked with 82,000 individuals through the NCS. From October 2022 to August 2023, our conversion rate of moving our customers into jobs and/or learning increased to an average of 60% combined across the regions we work in. This is 15% higher than the national 45% target.

In addition, through our North East Ambition programme we have been supporting and advising small and medium-sized enterprises (SMEs) in the northeast of England who are experiencing skills gaps and shortages. The programme is also helping women to enter sectors where they are currently under-represented and supporting SMEs whose work aims to benefit certain groups, such as ex-offenders and families with special educational needs and disability (SEND).

Several of our programme have also specifically supported refugees in the UK. The Making a Difference Programme has been providing onsite employability support for Afghan refugees. In addition, in September 2022, we launched our Ukrainian support team to help those who had been granted the right to live and work in the UK into employment.

Our impact in the Middle East and Asia

In 2022/23, we worked with system-level partners including the UAE Ministry of Education, Dubai's Knowledge and Human Development Authority, the Qatar Foundation and the UK Department for Education (for British Schools Overseas) to provide inspection services to 300 schools, impacting 400,000 students and 18,500 teachers. These inspections are designed to help improve teaching and outcomes for students, but this year, there was also a focus on improved care guidance and support. These schools have shown improvement in recent years: this year, 77% of students in Dubai attended private schools rated 'good' or better, compared to 70% in 2018/19.

We have also seen improvements in schools thanks to our British Schools Overseas (BSO) and International Schools Quality Mark (ISQM) inspections. Schools reported a high level of satisfaction during inspection: 91% of schools agreed or strongly agreed that the inspection had a positive impact on school improvement three months after the inspection.

Our Alexandria Schools Trust (AST) programme builds the capacity of English teachers and supervisors in Lebanon, Jordan and Egypt to efficiently use English as a medium of instruction and implement the best evidence-based English teaching strategies. This year we worked with the Jordanian and Lebanese Ministries of Education, the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) and three Syrian refugee organisations in Lebanon.

We have also conducted evidence-based supervision training with teachers of Syrian refugees in Lebanon, with a view to improving the quality of English-language education available to 8,100 Syrian refugee children. This is crucial to helping refugee learners to enter the mainstream education system in Lebanon, where English is the language of instruction. In Jordan, 96% of participants reported being satisfied with the training they received. 99% reported acting on the strategies agreed with supervisors and all reported a positive change in learning outcomes as a result.

Meanwhile, in Brunei, we continue to work across 85% of government schools, helping to enhance the English language proficiency of all learners and improve the quality of English language teaching among Bruneian teachers. We have worked closely with the Brunei Ministry of Education to develop curricula, resources and practices that are used on a national level, as well as running national-level training events and programmes. Our 198 teachers have worked directly in classrooms with approximately 17,000 primary, secondary and Sixth Form learners. Learning outcomes for Bruneian students have improved, with the lexile level (measuring students' reading abilities) rising from 35% to 60% among primary-aged students.

Our impact in Sub-Saharan Africa (SSA)

Across SSA we have supported teachers' and leaders' development and connected education professionals across schools and communities to improve learning outcomes for all of their students – including some of the most marginalised. This year, we have worked at scale in Ethiopia, Sierra Leone, and Zimbabwe, in addition to completing large-scale programmes in Rwanda and Kenya, impacting millions of learners.

Teachers are central to improving learning outcomes: high-quality teaching is the single biggest factor in students' learning and attainment. In all of our programmes across SSA, improving support, training and development opportunities for teachers is a key priority. Our Building Learning Foundations Programme in Rwanda, reached 1,700 teachers with continuous professional

development courses and 32,000 through our communities of practice, impacting 2.5 million learners this year and 5 million over the lifetime of the programme.

By the end of the programme in 2023 – despite the disruption of the Covid-19 pandemic in preceding years – we had seen a 47 percentage point increase in the number of teachers reaching benchmark competency in English, and a corresponding 63 percentage point increase for mathematics. 59% of Primary 3 pupils were achieving grade-level proficiency in English by endline in 2023 (up from just 17% at baseline) and 46% were achieving this proficiency in mathematics (up from 22% at baseline).

Meanwhile, in Zimbabwe, we have been delivering the teacher development component of the UK Aid-funded Teacher Effectiveness and Equitable Access for All Children programme. In the past year, we have facilitated training for 22,000 teachers and school leaders, who were trained at cluster level to cascade training in their schools to coach and mentor other teachers on foundational literacy, numeracy and pedagogical techniques, reaching one million learners.

In Sierra Leone, we have also been working to improve foundational skills through teacher training, through our Early Grade Reading and Mathematics programme, delivered in partnership with United Nations Children's Fund (UNICEF). This year, 5,600 teachers were trained. Marginalised communities are now showing promising improvements in grade proficiency levels. In grade one, 69% of girls and 67% of boys are performing at grade-proficient level in numeracy, and in literacy, these results are higher at 85% of girls and 72% of boys.

In Kenya, our Wachisana Wetu Wafaulu (Let our Girls Succeed) programme, part of the UK Aid-funded Girls' Education Challenge, engaged with 2,000 teachers to provide professional development designed to improve learning outcomes. Following the training, pupil assessment scores have improved in literacy and numeracy – endline reports from spring 2023 showed there was an overall increase of 11% in average literacy scores in the intervention group, alongside an increase of 12% in mathematics.

In Ethiopia, our UK Aid-funded programme, Technical Assistance to Reinforce the General Education Quality Improvement Program for Equity (TARGET), has provided leadership support to 97% of the country's school leaders through its National School Leadership Training. This has included face-to-face training, peer learning communities and specialised coaching provided to 92,800 school leaders. The TARGET team has also supported a national drive to increase the proportion of female school leaders, co-creating a strategy with the Ethiopia Ministry of Education.

In Rwanda, our UK Aid-funded Building Learning Foundations programme has also provided school leadership training, both through continuous professional development and professional learning communities for school leaders, facilitating collaboration and peer learning across schools and districts. As a result, the percentage of school leaders meeting expected levels for head teacher competency has increased from 45% at baseline to 90% at endline in August 2023.

Putting our knowledge into practice: Global consultancy

Our global research and consultancy team has continued to provide high-quality support, expertise, guidance and capacity building in many countries for a range of clients this year, including the UK Foreign, Commonwealth and Development Office (FCDO), UNICEF, Dubai Cares, the European Union, the DfE and the Tatweer Company for Educational Services. Beneficiaries of our consultancy work include our direct clients, governments, system-level decision-makers, education organisations,

non-governmental organisations, donor organisations, members of the education workforce, schools, and learners around the world. Our support to clients in 2022/23 focused on impact reviews, evaluation, research outputs, material development, quality assurance and improvement, and knowledge and skills development.

One of our key projects was on the What Works Hub for Global Education pilot, which received an 'A' rating in FCDO's annual review. Along with our partners, we produced 65 new evidence products which can be used by governments and civil society organisations to improve programming, develop policies and increase evidence uptake around foundational learning issues.

Putting our knowledge into practice: Key research partnerships

This year, we have continued to work with key partners to produce impactful, influential research on pressing issues facing education systems around the world. We worked especially closely with our partner, the International Institute for Educational Planning United Nations Educational, Scientific and Cultural Organization (IIEP-UNESCO), this year to produce a further report, a research brief and a series of documentaries in our project on 'Teacher management in refugee settings', in close collaboration with UN Refugee Agency (UNHCR) and Dubai Cares. This research has seen strong engagement from government ministers, with several Kenyan MoE officials seconded to the project. We also had strong government participation at a regional knowledge-sharing event in Uganda.

Putting our knowledge into practice: Our independent schools

We put our knowledge – gained from work in teacher development – into practice through our ownership and management of independent schools: St Andrew's School and Oakfield Preparatory School in England, and the International School of Cape Town, South Africa.

St Andrew's School has been ranked 29th in the annual Sunday Times 'Parent Power' survey of the top 100 UK independent schools and was the winner of the 'Best Educational Environment 2023 (Kent) Award' at the Lux Life Education Awards. The school once again achieved excellent results: Year 6 pupils' results in Key Stage 2 Standardised Assessment Tests were 20% higher in reading, 22% higher in maths and 23% higher in spelling, punctuation and grammar than the national average. Meanwhile, Oakfield School was rated as 'excellent' by the Independent Schools Inspectorate. The quality of teaching has been reflected in pupils' achievement – including for those of varying abilities or who face additional challenges. Most of the school's SEND pupils and all English as an additional language pupils have met or exceeded age-related expectations. Moreover, most pupils between Year 2 and Year 6 demonstrated higher or significantly higher performance than average: between 8% and 18% of pupils scored in the 'very high achievement' band against the Standard Age Score.

How we do business: Inclusion and Diversity (I&D)

This year, we have maintained our focus as an organisation on inclusion and diversity. Throughout the year, we have had additional focus on our efforts to be an anti-racist organisation, including by offering anti-racism training to colleagues at all tiers of the organisation. The course focused on what it means to be an anti-racist ally and on the impact of unconscious biases. We also provided training on micro-aggression, its impact on individuals, and how we can all become more self-aware and mindful of our attitudes and behaviours.

All awareness-raising activities have been well received and membership of our Inclusion & Diversity taskforce continues to grow. Our inclusion and diversity groups – with a focus on gender, disability,

neurodiversity, LGBTQ+ issues, and race, respectively – ran throughout the year, with good levels of membership and participation from across the organisation. Outputs from the groups include changes to recruitment procedures and an increasing awareness and understanding of colleagues' lived experiences.

This year, we were awarded Disability Confident Employer status (level two in the three-part scheme) and are actively working towards reaching Disability Confident Leader status (level 3).

Our UK gender pay gap for this reporting period is a mean of 12.6%, or a median of 7.2%, compared to the education sector averages of 16.1% and 22.2%, respectively (ONS 2022). Although we have seen the gap grow slightly in our schools (reflecting the higher level of female staff in our support roles), our data from the past five years shows an overall trend towards closing our gender pay gap. Across our major delivery areas in the UK – in Employability, Careers Guidance and Education Programme Delivery – we have seen a significant decrease in the gender pay gap.

How we do business: Staff morale and wellbeing

The wellbeing of our colleagues remains a key focus area for us. We utilise the PERMA (Positive emotions, Engagement, Relationships, Meaning, Accomplishment) model of wellbeing, which takes a proactive, holistic approach to maintaining positive wellbeing. For example, this year we have achieved Flexa accreditation as a flexible employer, hosted external subject matter expert-led seminars on financial wellbeing and menopause awareness, and provided access to more than 80 wellbeing-focused resources (videos, eLearning, articles, podcasts etc.) via our internal learning platform.

We also provide access to a number of Employee Assistance Programmes to all colleagues globally, and continue to provide membership of the leading wellbeing app Headspace to all colleagues. Mental health first aiders are regularly trained and are located globally so that employees can access mental health support and signposting to other professionals as relevant to their individual needs. We have partnered with Gallup to benchmark our employee engagement and develop action plans at team and organisational level to ensure that we are responding to feedback and creating a working environment in which all colleagues can thrive and achieve their full potential.

2.4 SAFEGUARDING

Safeguarding underpins all that we do at EDT, ensuring that everyone who comes into contact with us feels safe and respected. This year, our safeguarding work has had an impact on several areas in particular.

Firstly, the International Schools Quality Marker (ISQM) framework safeguarding requirements were strengthened to assist participating international schools in their commitments to improving safeguarding arrangements. This includes the safer recruitment of staff, responses to mental health and wellbeing concerns of pupils and the training of school staff in responding to child protection concerns.

Meanwhile, our TARGET programme in Ethiopia assisted local delivery partners working in schools to develop and implement safeguarding and child protection policies, which on one occasion, enabled a young female pupil to disclose that she was to be married to an older man and removed from

school. The pupil felt safe in sharing this with the school, which worked with relevant agencies to ensure that she was able to remain unmarried with her family and continue with her education.

Throughout the year, the continuous safeguarding training and enablement provision for EDT staff ensures that we are confident and competent in responding to concerns and disclosures raised with us by pupils and programme participants in a prompt and effective manner.

2.5 STAKEHOLDER ENGAGEMENT

Trustees as directors of the company have a duty to promote the success of the Charity and, in doing so, are required by section 172(1) of the Companies Act 2006 to have regard to various specific factors including:

- » The likely consequences of decisions in the long-term;
- » The interests of employees;
- » The need to foster relationships with third party stakeholders which, in the case of EDT, include clients and funders, partners, employees, suppliers, school pupils and their parents or carers, programme participants and communities on which we rely or that we affect;
- » The impact of the organisation's operations on the community and the environment;
- » The desirability of the organisation maintaining a reputation for high standards of business conduct;
- » The need to act fairly as between members of the Charity.

Day-to-day management and decision-making is delegated to the Chief Executive and Executive Team who are required to act to further EDT's strategy and to ensure that activities are carried out in compliance with plans and policies approved by the trustees. The trustees receive updates on EDT's performance and plans at each board meeting. Policies are reviewed periodically by the board or on its behalf by board committees. By ensuring that management act in accordance with the strategy and in compliance with specific policies, the board and its committees obtain assurance that in promoting the success of the charity, due regard is given to the factors set out in Section 172.

We have outlined the key decisions taken by the Board of Trustees in the year that demonstrate how we understand and engage with stakeholders and consider the external impact of our activities:

- » Approved the outputs of the first stage of the technology transformation project, considering the interests of employees and programme participants.
- » Approved measures to enhance safeguarding of programme participants and school pupils.
- » Approved the 2022/23 balanced scorecard, considering the interests of clients, employees and programme participants.
- » Approved an enhanced approach to how we measure and assess educational impact, considering the interests of programme participants and wider society.
- » Approved the introduction of an ESG requirement to our ethical investment policy, considering the impact of environmental, social and governance responsibility on wider society.
- » Approved EDT's anti-slavery statement, considering the impact on suppliers, partners and wider society.
- » Commissioned Gallup to conduct a staff survey, considering the interests of employees.
- » The executive and trustees participated in EDT's Annual General Meeting and provided quarterly updates to members.

2.6 FINANCIAL OVERVIEW

EDT is an international organisation with 1,271 staff worldwide, income of £91.2m, net assets of £32.2m and group free reserves of £21.4m.

Our income is generated by winning education-related contracts from governments and public or private bodies. Our business model is built on the principle of full cost recovery: any activity must recover all its attributable cost. This enables us to be financially sustainable and generate sufficient funds to invest in our sustainability through research and development, innovation and business development, brand building, enabling infrastructure – and in particular our public research.

The year-on-year increase in income of £2.1m was primarily due to new contracts from the UK Government in the UK. We were £1.8m below our target for income from charitable activities and £0.3m below our financial model target for net contribution from charitable activities. However, we delivered a year-on-year increase in Charity and Group reserves.

The Group results for the period show net income before investment, pension and exchange gains and losses of £0.8m (2021/22: £3.3m). Total income is £91.2m, an increase of £2.1m from 2021/22. After gains on investments of £7,000 (2021/22: losses of £0.5m), actuarial losses on defined benefit pension schemes of £5.4m (2021/22: gains of £4.7m) and exchange losses on conversion of subsidiaries of £0.7m (2021/22: gains of £1.1m), and after eliminating the net surplus attributable to minority interests of £0.1m (2021/22: £0.6m) the net decrease in funds for the year is £5.4m (2021/22: net increase of £8.0m).

The actuarial losses on defined benefit pension schemes are due to the derecognition of net pension assets for all defined benefit schemes on the basis that recoverability of the assets in the future is too remote.

The total assets less current liabilities of the Group amount to £32.8m (2021/22: £33.4m). The net assets of the Group are £32.2m (2021/22 £37.9m). For the Charity, net assets of £23.7m are reported (2021/22: £29.1m). After accounting for actuarial losses, the defined benefit pension scheme accounting balance is £Nil (2021/22: an asset of £5.2m).

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

2.7 RESERVES POLICY

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

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

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

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

We set a budget and a 3-year plan annually, with the last 3-year plan set to August 2026. The Board of Trustees and the Executive actively monitor financial results against the budget on a monthly basis. Regular forecasts with associated risks and opportunities are produced for the current financial year, to identify actions to optimise financial performance by mitigating risks and realising opportunities.

We monitor solvency by projecting income, net income, free reserves and cash to August 2025. We have reviewed this analysis on a regular basis up to the date of signing the report. We use a range of scenarios to stress test cash and reserves. This testing shows that we have adequate headroom for cash and a strong balance sheet. On this basis, while an amount of uncertainty about the volume and timing of new business exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern.

On 31 August 2023 free reserves were £13.9m for the Charity (2021/22: £13.3m) and £21.4m for the Group (2021/22: £21.1m). These amounts compare with budget figures set at the beginning of the financial year of £12.8m and £19.5m respectively. They were in line with our dynamic financial planning, and so were at a level that is adequate to meet continuously evolving requirements, including a £5m investment in technology planned for 2022/23 to 2024/25. The increase in Charity reserves during the year was driven by proceeds from the sale of shares in Waverley School (Waverley Way) Limited and dividends from subsidiaries.

2.8 INVESTMENT POLICY AND RETURNS

Our investment policy is to align with our reserves policy by balancing the portfolio between capital maintenance with low- to medium-risk returns over the medium term. We manage investment risk by pooling financial investments in two tiers. Tier 1 aims to represent the general funds minimum reserves requirement and is held in cash and cash equivalents. Tier 2 aims to represent the balance of financial resources in general and restricted funds and is held in balanced investment funds.

The Board of Trustees has wide investment powers and has delegated responsibility for the management of the portfolio, within the agreed risk profile, to selected investment managers. Our policy has an ethical component under which, while having regard to the requirements of charity law to maximise returns, we seek to avoid investing in activities contradictory to our objectives. Trustees periodically review implementation of the policy in consultation with the investment

managers. The financial performance component of return on investment is measured against benchmark weighted indices. Historic performance against benchmarks is shown in the following table.

Investment manager	1 Year		3 Years		5 Years	
	Actual	Benchmark	Actual	Benchmark	Actual	Benchmark
Newton (to 31/08/23)	3.3%	2.7%	7.5%	5.8%	6.3%	4.4%
HSBC (to 31/08/23)	1.6%	0.6%	4.2%	3.9%	2.6%	3.1%

2.9 ENERGY AND CARBON REPORTING

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

Energy Use and Carbon Emissions Disclosure

Primary Statement for 2022/23

	2022/23 Energy Consumption (KWh)	2022/23 Emissions (tCO ₂ e)	2021/22 Emissions (tCO ₂ e)	% Change
Electricity	413,729	85.67	86.64	-1%
Gas	453,060	82.88	128.76	-36%
Transport Fuels	198,665	45.42	52.00	-13%
Gross Annual Total	1,065,454	213.97	267.40	20%
Intensity Metric (Headcount)	780		725	8%
Total tCO₂e/head		0.27	0.37	-26%
Qualifying Green Tariffs	408,908	84.67	85.09	0%
Net Annual Total	656,546	129.30	182.31	-29%

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

GHG Emissions	2022/23 Energy Consumption (KWh)	2022/23 Emissions (tCO ₂ e)	2021/22 Emissions (tCO ₂ e)	% Change
Scope 1*	466,461	86.08	132.96	-35%
Scope 2 (location based)	413,729	85.67	86.64	-1%
Scope 2 (market based)	4,821	1.00	1.55	-36%
Scope 3	185,264	42.24	47.80	-12%
Total (location based)	1,065,454	213.99	267.40	-20%
Total (market based)	656,546	129.30	182.31	-29%

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

This is the fourth year of GHG reporting and is aligned with the 2022/23 financial year. The first year's report in 2019/20 forms the baseline year. The baseline year was formed during the Covid-19 pandemic and as such comparisons to this and future years may be skewed. We may re-baseline once operations are less volatile.

We have not developed any carbon targets for the current reporting period. However, a carbon reduction plan to achieve carbon net-zero by 2040 has been developed. The intensity metric chosen is employee numbers (taken as a monthly average). This was chosen as the most suitable metric as the organisation has both schools and offices within the UK and relates well to any changes in the energy consumption and associated carbon emissions.

We have no qualifying carbon offsets during this financial period. Within the UK, all directly sourced electricity that the organisation procures is from REGO-backed or 100% Carbon offset (Kyoto Protocol). We have also taken account of any landlord procured electricity from renewable sources. This has reduced gross emissions from the consumption of purchased electricity via a qualifying green electricity tariff by over 98%, equating to a carbon saving of 84.67 tonnes of CO₂e for this financial year.

Energy Efficiency Narrative

During the course of the reporting year we have undertaken the following activity which has or will have a direct Impact on the energy efficiency of the organisation.

- » Appointed a dedicated Environmental Lead to our Property Services team.
- » Continued to rationalise the real estate portfolio disposing of a further two serviced office spaces at the beginning of the financial year.
- » Continued to develop our Carbon Reduction Plan with a commitment to Net Zero, promoting awareness through newsletter articles.
- » Held a Sustainability awareness event for all staff, bringing together Information on our research into climate change, how our North East Ambition team support SME's with sustainability plans, and details of how our carbon reduction plan supports our aim of Net Zero by 2040.
- » Our Employability and Careers Sustainability Working Group continued to share good practice on promoting sustainability with employers and partners.
- » Ongoing implementation of energy efficiency measures within our schools portfolio through upgrades to LED lighting upgrades, thermal improvements, and window upgrades.
- » Disposal of a school in 2021/22 with high gas consumption due in part to its swimming pool.

Our Research and Consultancy team have continued to research the impact of climate change on education, and the potential role education can play in increasing adaption, resilience and mitigation. This research has been extended from Kenya, where the impact of climate change is more significantly felt than Rwanda.

Preparation for Energy Savings Opportunities Scheme (ESOS) Phase 3 is underway and building energy audits have been during this reporting period. The surveys and associated reports completed as part of Phase 3 ESOS should provide a route map for which energy conservation measures can be implemented cost effectively. To reduce energy consumption, cost and carbon emissions, we will continue our existing good practices and implement further energy conservation measures in the next 12-month period, in line with our Carbon Reduction Plan.

2.10 FUNDRAISING

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

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

2.11 PRINCIPAL RISKS

The top corporate risks facing the Group, and associated measures for managing those, are:

Risk identified	Further managing actions
Challenges arising from structural inefficiency of UK Directorate	» Integration of UK Directorate with streamlined leadership and a single business improvement function
Necessity of positive Ofsted outcomes on all programmes	» Continuous improvement process embedded in Ofsted-inspected programmes
Over-reliance on UK government for funding	» Market analysis of diversified client opportunities » Go to market opportunities identified; exploring scalability and market potential
Impact of the challenging economic context in the UK on staff	» Monitor staff wellbeing and opportunities for efficiency savings
Potential change of UK government in 2024	» Deeper engagement with all parties » Programme of CEO led events to cultivate key stakeholder relationships
Potential for introduction of VAT on UK independent schools	» Market analysis of price sensitivity of fees
Major safeguarding incident	» Continuous focus on safeguarding monitoring and enhancement
IT security breach	» Continued implementation of the IT Security and Disaster Recovery Action Plans

2.12 FINANCIAL RISKS

The following sets out the risk management principles applied to certain types of financial risks.

Liquidity

The Group retains sufficient cash funds to meet the day-to-day needs of the organisation and invests its remaining reserves in longer-term investments to maximise returns. The Group's financing objective is to locate funds that are surplus to operational requirements in the Charity (the parent entity). Subsidiaries provide regular financing plans and proposals for repatriation of surplus funds for approval by the Charity.

Financial market

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

Credit

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

Foreign exchange

Due to the international nature of its activities, the Group's reported reserves, net assets and gearing are all affected by foreign exchange movements. By default, currency exposures are minimised by denominating transactions in GBP and / or denominating cash in- and out-flows in the same currency. Net exposures are identified, and appropriate management approaches are put in place on a case-by-case basis. The Group does not currently have any currency derivative instruments in place.

Procurement

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

2.13 OPERATIONAL PLAN 2023/24

As we enter the final year of our 3-year strategic period (2021-24), our ambition is to be world-leading in the design and delivery of high-impact, large-scale educational change programmes, transforming even more lives through the power of education and careers advice and guidance – delivering more and delivering better.

In 2023/24, the final year of our strategy, we aim to:

- » **New business:** Secure £24m income in 2023/24 from an increasingly diverse client base.
- » **Commercial:** Deliver income of £86.4m and a net surplus before investment.
- » **Delivery:** Achieve 100% of the reach targets in our strategy, 100% good grades in external evaluations and meet or exceed impact targets for all our major contracts.
- » **People:** Ensure staff are motivated and productive and have a safe, diverse and inclusive working environment.
- » **Stakeholders:** Ensure our key stakeholders know who we are and what we do, our clients and partners believe we are effective in delivering for them and our communications are engaging.

Balanced scorecard 2023/24

	NEW BUSINESS		
	Critical success factor	KPI	Target
1.1	We achieve our new business targets (current year)	New business income contributing to 2023/24	£24.3m
1.2	We achieve our new business targets (next year)	New business income contributing to 2024/25	£32.4m
1.3	We achieve our client diversification targets	Value of contracts won considered client diversification	£7.7m
	COMMERCIAL		
	Critical success factor	KPI	Target
2.1	We achieve our income targets	2023/24 income from charitable activities	£86.4m
2.2	We achieve our financial model targets	2023/24 net contribution from charitable activities	2.0%
2.3	We achieve our financial reserves targets	End of year UK free reserves cover (projected minus min. reserves)	£4.7m
	DELIVERY		
	Critical success factor	KPI	Target
3.1	We achieve our reach targets	2021-24 Corporate Strategy targets	100%
3.2	Delivery is good or better according to client/independent evaluation	External evaluation reports grade delivery as good or better	100%
3.3	We achieve our impact targets	Impact metrics for major contracts meet or exceed targets	100%
	PEOPLE		
	Critical success factor	KPI	Target
4.1	Colleagues are motivated and productive	Employee engagement score	4.1
4.2	We have a safe working environment that supports the wellbeing of colleagues	Sick days absence	2.60%
4.3	Improving our employer brand	Number of followers on LinkedIn	134,200
4.4	We have a diverse and inclusive working environment	Score on question: 'I am treated with fairness and respect'	4.3
	STAKEHOLDERS		
	Critical success factor	KPI	Target
5.1	Our key stakeholders have a good knowledge of who we are and what we do	Average stakeholder familiarity	4.0
5.2	Our clients and partners believe we are effective in delivering for them	Perception of organisational effectiveness	4.2
5.3	Our brand communications are engaging and persuasive	Web visits per month / Perception as thought leaders	30,000 8.0

3 STRUCTURE, GOVERNANCE AND MANAGEMENT

3.1 STRUCTURE

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

In Brunei, CfBT Education Services (B) Sdn Bhd, a majority-owned subsidiary, is engaged in the supply of education system reform services and English language teachers to the Sultanate's public school system. The principal activities of the EDT Middle East Educational Consultancy LLC, registered in Abu Dhabi, are to provide educational consultancy and support for schools. The principal objective of Education Development Zimbabwe (Private) Ltd, registered in Harare, is to advance education for the public benefit throughout Zimbabwe. The principal activity of the International School of Cape Town (Pty) Ltd, registered in South Africa is to run an independent school in Cape Town. The principal activity of Waverley School (Waverley Way) Ltd, registered in the UK, is the ownership of a property used as a school.

During the year, we closed a subsidiary in Malaysia. We aim to complete the sale of Waverley School (Waverley Way) Limited in February 2024.

3.2 GOVERNANCE

Education Development Trust was incorporated on 31 December 1965 and received charitable status on 20 February 1976. The Charity is governed by its Articles of Association, last amended in September 2021.

Board structure

The Board of Trustees meets at least 6 times per year to determine strategy and policies and review performance. It is responsible for the approval of budgets, financial statements and new investments, delegating specific responsibilities to its committees. Details of the trustees who served throughout the year (except as noted) are set out in Section 4.

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

- » The **Audit and Finance Committee** meets four times a year as a minimum. The committee provides an independent oversight of the Group's systems of internal control, risk management and compliance. It also monitors the Group's financial policies and financial management.
- » The **Education Impact Committee** meets three times a year as a minimum to review the educational impact of the organisation's activities. It also has the remit to commission educational research.
- » The **People, Culture and Remuneration Committee** meets three times a year. It has responsibility for reviewing people and culture matters across the organisation, including approaches to employee engagement, staff morale and wellbeing, corporate talent and development initiatives and inclusion. It determines the remuneration and benefits strategy for the Executive, commissioning external salary benchmarking data on a bi-annual basis.

- » The **Corporate Safeguarding Committee** meets four times a year. It provides strategic direction and policy for EDT in relation to safeguarding children, young adults and other direct and indirect beneficiaries globally. It also provides the Board of Trustees with assurance and evidence that we are meeting the applicable core regulations and exercising a duty of care. The Corporate Safeguarding Committee is advised immediately of any emerging safeguarding cases by the Corporate Safeguarding Adviser through our Chief Executive and is kept informed throughout the case management process.

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

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

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

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

Appointment and role of trustees

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

Trustee indemnity insurance

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

Charity Governance Code

The Charity continues to review and apply the principles of the Charity Governance Code. The three-year Board Development Plan for the period 2022–24 has been further refined by the outcomes of a Board self-evaluation undertaken in 2023 which was structured around the key principles of the Code. Key areas of focus have been as follows:

- » The Board convened a subgroup to lead the appointment process for the new CEO whilst also ensuring that there was appropriate oversight of arrangements for the other senior leadership appointments during the transition period. (Principle 2: Leadership)

- » Specialist committees review organisational performance ahead of review and full decision making by the Board. A temporary trustee-chaired Transformation Steering Committee was established, resulting in the recruitment and appointment of a Director of Data, Digital and Technology. The structure and performance of all sub-committees are currently being reviewed as part of a committee self-evaluation process. (Principle 4: Decision making, risk and control)
- » A recent self-evaluation identified areas to further strengthen the Board's strategic and stakeholder focus, in preparation for working with the newly appointed CEO to set the organisation's five-year strategy from 2024. Trustees' understanding of the Charity and its context continues to be enhanced through a robust induction programme which now includes a 'buddying' system for new trustees to strengthen their understanding across disciplines and share of expertise. Annual safeguarding training has been established and is in its fourth year. (Principle 5: Board Effectiveness)
- » There is a sustained focus on inclusion and diversity with tracking of strategic targets that were previously agreed by the Board. The People, Culture and Remuneration Committee provides support and challenge to the delivery of an organisation-wide 3-year Inclusion and Diversity strategy. (Principle 6: Equality, diversity, and inclusion)
- » As part of the Charity's stakeholder stewardship programme, a new programme of events will run from late 2023 onwards and seek to harness inputs from trustees in terms of networking and opening new relationships to support income diversification. (Principle 7: Openness and accountability)

UN Global Compact

We submitted our latest Communication on Engagement in August 2023. We were able to demonstrate our commitment to the ten principles of the UN Global through our work, examples of which are detailed in our Impact Report. We ensure that the UN Global Compact and Sustainable Development Goals form part of our strategy, culture and day-to-day operations. Our Letter of Commitment and Communication on Engagement are both available on unglobalcompact.org.

3.3 RESPONSIBILITIES OF THE BOARD OF TRUSTEES

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

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

- » Select suitable accounting policies and then apply them consistently.
- » Make judgements and estimates that are reasonable and prudent.
- » State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- » Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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

The Board of Trustees is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

3.4 MANAGEMENT

During the period, the activity of the Charity was organised in four operational areas:

- » UK: This activity brings together our large-scale UK programmes. The key components of this area are UK Education Services and Employability and Careers.
- » Africa, Middle East & Asia: This activity brings together our large-scale programmes outside the UK. The key components of this area are the Middle East and Asia region and the Sub-Saharan Africa region.
- » Research & Consultancy: This activity incorporates our consultancy business and our research. This area also manages the Alexandria Schools Trust restricted fund.
- » Independent Schools: This area includes our three independent (private) schools: two in the UK and one in South Africa.

3.5 STAFF

During the period under review, we employed an average of approximately 1,271 staff worldwide, and experienced considerable organisational change as we managed transition within our portfolio of contracts. Considerable attention was given to support staff in the face of significant cost-of-living increases, pay awards took into consideration high rates of inflation, with additional targeted one-off payments made and signposting to advice given where required.

We are a Disability Confident employer which reinforces our full commitment to undertaking activities that make a real difference to people with disabilities. This includes giving full and fair consideration to applications for employment made by people with disabilities in line with our inclusion and diversity strategy, having regard to their aptitudes and abilities; continuing the employment of, and arranging training for employees who have become disabled while employed; and focusing on the training, career development and promotion of people with disabilities.

We take a proactive position on employee engagement; this year we have worked in partnership with Gallup to benchmark our employee engagement and develop action plans at team and organisational level to ensure that we are responding to feedback and creating a working environment in which all colleagues can thrive and achieve their full potential. In response to feedback, we have strengthened our continual performance management process and increased staff development opportunities with the launch of a new learning management system.

3.6 RISK MANAGEMENT AND INTERNAL CONTROL

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

Risk management

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

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

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

Internal control

The Audit and Finance Committee provides independent oversight of the effectiveness of the systems of internal control and is responsible for reviewing and approving the annual internal audit programme, reviewing the key findings of the internal audit reports as well as monitoring the implementation of accepted recommendations. The committee also meets at least twice a year with the external auditors, both with and without management, to discuss the annual statutory audit and any internal control weaknesses identified in the management letter.

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

- » A three-year strategic plan approved by the Board of Trustees against which performance is monitored.
- » An annual plan and budget approved by the Board of Trustees.

- » Consideration of the financial results of the Group by the Board of Trustees and executive management based on monthly management reports with variances to budget and/or forecast.
- » Consideration of organisational performance – educational impact, contractual delivery, financial performance and risk management – through business review meetings.
- » Delegation of authority and segregation of duties.
- » Processes for identifying and managing compliance with relevant legislation and with the requirements of regulatory bodies.
- » Operational policies and procedures for staff, including policies on safeguarding, whistleblowing, health and safety, and serious incident reporting.
- » An outsourced internal audit function which is responsible for a rolling programme of risk-based audits designed to review the effectiveness of internal control processes across the Group and to provide recommendations to strengthen the control environment, the results of which are reported to management and the Audit and Finance Committee.

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

The Trustees' Annual Report and Strategic Report was approved by the Board of Trustees on 1 February 2024 and signed on its behalf by:



Ilse Howling
Chair
1 February 2024

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

4.1 CHARITY DETAILS

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

4.2 TRUSTEES

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

- » Ilse Howling – Chair; Chair of Nominations Committee; People, Culture and Remuneration Committee
- » Tanya Barron – Chair of Corporate Safeguarding Committee; Audit and Finance Committee; People, Culture and Remuneration Committee
- » Timothy Coulson (from May 2023)
- » Christine Gilbert (to May 2023)
- » Julia Grant
- » Nimal Hemelge – Audit and Finance Committee
- » Robert Humphreys – Chair of Audit and Finance Committee
- » Joy Hutcheon – Chair of People, Culture and Remuneration Committee; Audit and Finance Committee; Nominations Committee
- » Angela McFarlane – Chair of Education Impact Committee
- » Jonathan Simons – Education Impact Committee
- » Muchemi Wambugu – Education Impact Committee

4.3 MEMBERS

Currently Education Development Trust has 35 members. The members take an active role in our work and share their educational experience and expertise for the benefit of EDT. The membership appoints the trustees and is responsible for reviewing the work of EDT, principally at the Annual General Meeting.

4.4 PRESIDENT AND VICE PRESIDENT

Sir Jim Rose acted as EDT's President until he sadly passed away on 9 February 2023. Sara Hodson acted as Vice President throughout the period. She was appointed on 30 April 2015 and re-appointed on 21 May 2020 for a second term of five years.

4.5 EXECUTIVE

The Executive is responsible for the operational management of the organisation and, through the Chief Executive, reports to the Board of Trustees or its committees. Current membership of the Executive is below, with dates indicating members joining within the year or since the year end:

- » Dan Sandhu (Chief Executive) from 4 September 2023
- » Tarek Alami (Director Africa, Middle East and Asia)
- » Ross Anderson (Director UK) from 4 December 2023
- » Mick Dyson (Director Finance and Corporate Services)
- » Sarah Farquhar (Director People) from 31 October 2022
- » Tony McAleavy (Director Education)
- » Cheryl McGeachie (Director Marketing and Business Development)
- » Anna Riggall (Director Research and Consultancy)
- » Kurt Weideling (Chief Digital and Information Officer) from 20 November 2023

The following were members of the Executive during the year with dates indicating members leaving during the year:

- » Patrick Brazier (Chief Executive) to 1 September 2023
- » Steve Cutts (Interim Director UK) from 15 May 2023 to 22 December 2023
- » Bob Miles (Director Corporate Services; Company Secretary) to 31 August 2023
- » Anna Searle (Director UK) to 19 May 2023

4.6 BANKERS AND PROFESSIONAL ADVISERS

Bankers	Lloyds Bank Plc 24 Broad Street Reading RG1 2BT	Auditor	Crowe U.K. LLP 4 th Floor, St James House St James' Square Cheltenham GL50 3PR
Investment Managers	Newton Investment Management Limited 160 Queen Victoria Street London EC4V 4LA		HSBC Private Bank (UK) Limited 8 Cork Street London W1S 3LJ
Legal Advisers	Clarkslegal LLP 5th Floor, Thames Tower Station Road Reading RG1 1LX		Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF
Legal Advisers (International)	Eversheds Sutherland One Wood Street London EC2V 7WS		

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

Opinion

We have audited the financial statements of Education Development Trust (the "charitable company") and its subsidiaries (the "group") for the year ended 31 August 2023 which comprise Consolidated and Charity Statement of Financial Activities, Consolidated and Charity Balance Sheets and Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- » give a true and fair view of the state of the group's and the charitable company's affairs as at 31 August 2023 and of the group's 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's 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 trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial

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

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 rise to 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 our audit

- » the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- » the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

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

- » the parent company has not kept adequate accounting records; or
- » the parent company 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 23, 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.

Auditor's responsibilities for the audit of the financial statements

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

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Anti-fraud, bribery and corruption legislation, taxation legislation. We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Audit & Finance Committee about their own identification and assessment of the risks of irregularities, performing sample testing on grant and contract income, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Tara Westcott
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
Cheltenham

Date: 07 February 2024

6 CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 August 2023

				Year to 31 August 2023	Year to 31 August 2022
	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Total £'000
INCOME					
<u>Income from investments</u>	1d				
Dividends receivable		94	140	234	207
Rental income		407	-	407	410
Interest income		213	-	213	50
<u>Income from charitable activities</u>	1d				
UK		27,586	9,301	36,887	32,850
Africa, Middle East and Asia		39,052	-	39,052	40,477
Research and Consultancy		3,894	112	4,006	4,923
Independent Schools		10,378	-	10,378	10,153
Total income	2a	81,624	9,553	91,177	89,070
EXPENDITURE					
<u>Expenditure on raising funds</u>					
Investment managers' fees	1e	20	31	51	44
Other costs		408	-	408	409
<u>Expenditure on charitable activities</u>	1e				
UK		25,905	9,301	35,206	30,024
Africa, Middle East and Asia		40,120	-	40,120	41,100
Research and Consultancy		4,127	370	4,497	4,438
Independent Schools		10,111	-	10,111	9,782
Total expenditure	5	80,691	9,702	90,393	85,797
Total income less total expenditure		933	(149)	784	3,273
Net gain / (loss) on investments	8	4	3	7	(458)
Net income / (expenditure)	2b	937	(146)	791	2,815
Other recognised gains and losses					
Actuarial (loss) / gain on defined benefit pension schemes	14	(5,445)	-	(5,445)	4,650
Exchange (loss) / gain on conversion of subsidiaries		(650)	-	(650)	1,064
Total recognised (losses) / gains for current period		(6,095)	-	(6,095)	5,714
Net movement in funds before minority interest		(5,158)	(146)	(5,304)	8,529
Less: Minority interest		(54)	-	(54)	(554)
Net movement in funds after minority interest		(5,212)	(146)	(5,358)	7,975
Balance brought forward at 1 September		28,926	5,769	34,695	26,720
Balance carried forward at 31 August		23,714	5,623	29,337	34,695

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

The notes on pages 37 to 59 form an integral part of these financial statements.

STATEMENT OF FINANCIAL ACTIVITIES – CHARITY ONLY
For the year ended 31 August 2023

				Year to 31 August 2023	Year to 31 August 2022
	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000	Total £'000
INCOME					
<u>Income from investments</u>	1d				
Dividends receivable		586	140	726	510
Rental income		398	-	398	403
Interest income		116	-	116	16
<u>Income from charitable activities</u>	1d				
UK		27,586	9,301	36,887	32,851
Africa, Middle East and Asia		18,832	-	18,832	23,763
Research and Consultancy		3,894	112	4,006	4,924
Independent Schools		8,089	-	8,089	7,895
Total income		59,501	9,553	69,054	70,362
EXPENDITURE					
<u>Expenditure on raising funds</u>					
Investment managers' fees	1e	20	31	51	44
Other costs		408	-	408	409
<u>Expenditure on charitable activities</u>	1e				
UK		27,327	9,301	36,628	30,825
Africa, Middle East and Asia		19,013	-	19,013	23,777
Research and Consultancy		4,281	370	4,651	4,559
Independent Schools		7,970	-	7,970	7,709
Total expenditure		59,019	9,702	68,721	67,323
Total income less total expenditure		482	(149)	333	3,039
Net gain / (loss) on investments	8	4	3	7	(458)
Net income / (expenditure)		486	(146)	340	2,581
Other recognised gains and losses					
Actuarial (loss) / gain defined benefit pension schemes	14	(5,445)	-	(5,445)	4,650
Total recognised (losses) / gains		(5,445)	-	(5,445)	4,650
Net movement in funds		(4,959)	(146)	(5,105)	7,231
Balance brought forward at 1 September		23,304	5,769	29,073	21,842
Balance carried forward at 31 August		18,345	5,623	23,968	29,073

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

The notes on pages 37 to 59 form an integral part of these financial statements.

BALANCE SHEETS
As at 31 August 2023

		-----GROUP-----		-----CHARITY-----	
	Notes	As at 31/08/23 £'000	As at 31/08/22 £'000	As at 31/08/23 £'000	As at 31/08/22 £'000
FIXED ASSETS					
Tangible assets	1f, 7	5,242	5,883	4,216	4,606
Investments	1h, 8	9,444	9,476	9,444	9,476
Investments in Group undertakings	9	-	-	203	203
Total fixed assets		14,686	15,359	13,863	14,285
CURRENT ASSETS					
Debtors: Amounts falling due within one year	10	18,226	17,081	14,833	13,575
Cash at bank and in hand		21,961	21,666	14,583	13,662
		40,187	38,747	29,416	27,237
CURRENT LIABILITIES					
Creditors: Amounts falling due within one year	11	(22,058)	(20,742)	(18,735)	(17,038)
Net current assets		18,129	18,005	10,681	10,199
Total assets less current liabilities		32,815	33,364	24,544	24,484
Provision for liabilities and charges	13	(596)	(614)	(576)	(593)
Defined benefit pension schemes	14	-	5,182	-	5,182
NET ASSETS		32,219	37,932	23,968	29,073
CHARITABLE FUNDS					
Unrestricted funds (excluding defined benefit pensions)		23,714	23,744	18,345	18,122
Restricted funds	12	5,623	5,769	5,623	5,769
SUB TOTAL FUNDS (excluding pension liabilities)		29,337	29,513	23,968	23,891
Defined benefit pension asset	14	-	5,182	-	5,182
TOTAL FUNDS (excluding minority interest)		29,337	34,695	23,968	29,073
Minority interests		2,882	3,237	-	-
TOTAL FUNDS		32,219	37,932	23,968	29,073

The notes on pages 37 to 59 form an integral part of these financial statements.

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



Ilse Howling
Chair
Dated: 1 February 2024

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 August 2023

	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
<u>Cash flows from operating activities</u>		
Net income for the year	791	2,815
Adjustments for:		
Depreciation on tangible fixed assets	1,097	1,149
Loss on sale of tangible fixed assets	5	188
Sale of shares in subsidiary	(585)	(585)
Increase in debtors	(1,145)	(2,028)
Increase / (decrease) in creditors	1,316	(5,288)
Decrease in provisions	(18)	(466)
Less dividends receivable	(234)	(207)
Less interest receivable	(213)	(50)
Post-retirement benefits adjustment	(263)	179
Dividends paid to minority interest	(409)	(243)
(Gain) / loss on investments	(7)	458
Exchange loss / (gain) on fixed assets	250	(22)
Exchange loss / (gain) on conversion of cash	23	(1)
Exchange (loss) / gain on conversion of opening reserves of foreign subsidiaries	(650)	1,064
Net cash used in from operating activities	(42)	(3,037)
<u>Cash flows from investing activities</u>		
Interest received	213	50
Dividends received from investments	234	207
Sale of shares in subsidiary	585	585
Purchase of tangible fixed assets	(711)	(718)
Sale of tangible fixed assets	-	-
Purchase of fixed asset investments	(2,403)	(3,912)
Sale of fixed asset investments	2,299	4,089
Net cash generated from investing activities	217	301
Net increase / (decrease) in cash and cash equivalents in the year	175	(2,736)
Cash and cash equivalents at the beginning of the year	21,843	24,578
Change in cash and cash equivalents due to exchange rate movements	(23)	1
Total cash and cash equivalents at the end of the year	21,995	21,843
<u>Cash and cash equivalents:</u>		
Cash at bank and in hand	21,961	21,666
Cash at investments managers – money market deposits	34	177
Total cash and cash equivalents	21,995	21,843

The notes on pages 37 to 59 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2023

1. PRINCIPAL ACCOUNTING POLICIES

a. Basis of accounting and consolidation

Education Development Trust is a charitable company limited by guarantee, incorporated in England and Wales (Charity Number 270901 / Company Number 867944). The address of its registered office is Highbridge House, 16-18 Duke Street, Reading, RG1 4RU. The financial statements have been prepared under the historical cost convention, except for investments which are included at market value. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

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

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

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

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

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

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

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

b. Going Concern

We set a budget and a 3-year plan annually, with the last 3-year plan set to August 2026. The Board of Trustees and the Executive actively monitor financial results against the budget on a monthly basis. Regular forecasts with associated risks and opportunities are produced for the current financial year, to identify actions to optimise financial performance by mitigating risks and realising opportunities.

We monitor solvency by projecting income, net income, free reserves and cash to August 2025. We have reviewed this analysis on a regular basis up to the date of signing the report. We use a range of scenarios to stress test cash and reserves. This testing shows that we have adequate headroom for cash and a strong balance sheet. On this basis, while an amount of uncertainty about the volume and timing of new business exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern. The Board of Trustees therefore considers it appropriate for the accounts to be prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023**1. PRINCIPAL ACCOUNTING POLICIES (continued)****c. Critical accounting judgements and estimations**

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

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

(ii) Recognition of pension scheme asset – in line with FRS102, the Charity only recognises a defined benefit asset to the extent it is considered recoverable through reduced contributions in the future, or through refunds from the scheme. The appropriate accounting treatment is determined for each scheme separately based on review and interpretation of the scheme rules.

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

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

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

d. Income

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

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

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

Income from charitable activities has been split under the four key activities identified to meet the Charity's objectives: UK, Africa, Middle East and Asia, Research and Consultancy and Independent Schools.

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

- income from tuition and nursery fees is recognised to the extent that the related services have been provided;
- income from contracts is recognised using the stage of completion method which is equivalent to the aggregate of related expenditure incurred plus a portion of estimated surplus. Anticipated losses on contracts are charged to the Statement of Financial Activities in their entirety when losses become evident;
- grants receivable income, where related to performance and specific deliverables, is accounted for as the Charity earns the right to consideration by its performance. Where income is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before income is received, the income is accrued.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 August 2023

1. PRINCIPAL ACCOUNTING POLICIES (continued)

d. Income (continued)

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

e. Expenditure

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

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

Expenditure on charitable activities has been split under the four key activities identified namely: UK, Africa, Middle East and Asia, Research and Consultancy and Independent Schools. Further detail of the work within each of these areas is detailed in the Strategic Report.

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

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

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

Redundancy, termination, and ex gratia payments are accounted for in full in the year that the departure is agreed.

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

f. Tangible fixed assets

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

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

Assets under construction are not depreciated until they are brought into use.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023**1. PRINCIPAL ACCOUNTING POLICIES (continued)****f. Tangible fixed assets (continued)**

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

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

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

g. Impairment of fixed assets

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

h. Investments

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

i. Financial instruments

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023**1. PRINCIPAL ACCOUNTING POLICIES (continued)****j. Pension scheme arrangements****(i) Defined contribution scheme**

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

(ii) Defined benefit scheme

The Charity contributed to defined benefit pension schemes.

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

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

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

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

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

k. Holiday pay accrual

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

l. Operating leases

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

m. Foreign currency translation**(i) Functional and presentation currency**

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023**1. PRINCIPAL ACCOUNTING POLICIES (continued)****m. Foreign currency translation (continued)****(ii) Transactions and balances**

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

(iii) Translation of group entities

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

n. Restricted funds

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023

2. SEGMENTAL ANALYSIS

(a) Group income relating to operating activities	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
An analysis of Group turnover by geographical segment is given below:		
United Kingdom	48,649	43,335
South Asia and South East Asia	16,493	15,471
Middle East	6,620	3,745
Africa	19,386	26,435
Europe and other	29	84
	91,177	89,070

Within Africa, income of £1.3m (2021/22: £3.8m) relates to the FCDO Girls' Education Challenge contract.

(b) Net income	£'000	£'000
An analysis of the net (deficit) / surplus by geographical segment is given below:		
United Kingdom	(2,273)	(1,206)
South Asia and South East Asia	1,471	1,389
Middle East	143	95
Africa	1,460	2,471
Europe and other	(10)	66
	791	2,815

3. STAFF AND TEACHER COSTS

	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
Wages and salaries	41,856	37,878
Redundancy, termination or ex gratia payments	695	200
Social security costs	2,472	2,196
Pensions	1,786	1,818
Temporary staff	423	275
	47,232	42,367

Redundancy, termination, and ex gratia payments were incurred as part of the ongoing evolution of the business and were accounted for in full in the year that the departure was agreed. The amount payable at 31 August 2023 was £130,279 (2022: £nil) and is included within Creditors.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023

3. STAFF AND TEACHER COSTS (continued)

Staff members whose total annual remuneration was in the ranges:	Year to 31 August 2023 No. of Staff	Year to 31 August 2022 No. of Staff
£60,000 – £69,999	26	25
£70,000 – £79,999	21	16
£80,000 – £89,999	11	7
£90,000 – £99,999	2	4
£100,000 – £109,999	3	3
£110,000 – £119,999	2	-
£120,000 – £129,999	3	3
£130,000 – £139,999	1	1
£140,000 – £149,999	-	2
£150,000 – £159,999	-	1
£170,000 – £179,999	1	-
£180,000 – £189,999	1	1
£200,000 – £209,999	-	1
£210,000 – £219,999	1	-
£230,000 – £239,999	1	-
	73	64

Total annual remuneration includes redundancy, termination and ex gratia payments.

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

The Chief Executive had total annual remuneration in the £180,000 – £189,999 range (2021/22: £180,000-£189,999 range).

Total employer pension contributions for the provision of money purchase schemes totalled £284,807 (2021/22: £234,204) for those staff whose total remuneration was more than £60,000.

	Year to 31 August 2023 No. of Staff	Year to 31 August 2022 No. of Staff
The number of staff whose remuneration was more than £60,000 to whom retirement benefits are accruing under:		
- money purchase schemes	48	39
- defined benefit schemes	2	3
The average monthly number of persons employed by the Group during the period was:	1,271	1,218

Key management personnel

The total employment benefits of the key management personnel was £1,541,671 (2021/22: £1,045,484) and total employer pension contributions for eight people was £105,225 (2021/22: £76,707 for four people). The Executive team was expanded from 5 to 9 members from 1 March 2022 and this is reflected within the key management personnel figure. Redundancy pay of £260,365 (2021/22: £0) was paid to key management personnel.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023

4.	NET INCOME is stated after charging / (crediting)	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000					
	Auditors' remuneration:							
	Group audit (Charity 2022/23: £58,500, 2021/22: £64,000)	64	67					
	Other	-	4					
	Audits of international subsidiaries	27	20					
	Internal audit	36	67					
	Depreciation (note 7)	1,097	1,149					
	Remuneration of the Board of Trustees (note 6)	142	129					
	Exchange differences	72	174					
	Operating lease rentals: Property	1,151	1,205					
	Loss on sale of tangible fixed assets	5	188					
5.	ANALYSIS OF TOTAL EXPENDITURE – GROUP							
	Direct Staff Costs £'000	Support Staff Costs £'000	Materials Production and Training Delivery £'000	Premises £'000	Other Project Expenditure (including depreciation) £'000	Other Support Expenditure £'000	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
<u>Expenditure on charitable activities</u>								
UK	17,609	2,650	304	167	12,918	1,558	35,206	30,024
Africa, Middle East and Asia	15,530	2,709	2,937	443	16,557	1,944	40,120	41,100
Research and Consultancy	1,739	278	189	-	2,104	187	4,497	4,438
Independent Schools	5,997	720	26	1,171	2,189	8	10,111	9,782
	40,875	6,357	3,456	1,781	33,768	3,697	89,934	85,344
Investment manager's fees	-	-	-	-	-	51	51	44
Other costs	-	-	-	-	-	408	408	409
Total expenditure	40,875	6,357	3,456	1,781	33,768	4,156	90,393	85,797

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023

6. TRANSACTIONS WITH TRUSTEES AND CONNECTED PARTIES

			Year to 31 August 2023	Year to 31 August 2022
(a) Trustees' remuneration and transactions				
Recipient		Nature	£	£
I Howling		Remuneration	29,167	25,000
R Humphreys		Remuneration	15,625	15,500
C Gilbert	to 18 May 2023	Remuneration	11,083	15,500
A McFarlane		Remuneration	15,625	15,500
J Hutcheon		Remuneration	15,625	15,500
J Grant		Remuneration	10,125	10,000
T Barron		Remuneration	11,707	10,000
J Simons		Remuneration	10,125	10,000
N Hemelge	from 24 January 2022	Remuneration	10,125	6,048
M Wambugu	from 26 January 2022	Remuneration	10,271	6,013
T Coulson	from 18 May 2023	Remuneration	3,001	-
			142,479	129,061

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

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

(b) Expenses reimbursed to, and paid on behalf of, the Board of Trustees			Year to	Year to
	Number of Board Members		31 August 2023	31 August 2022
	2022/23	2021/22	£	£
Nature of expense				
Travel expenses	6	2	7,265	2,417
Subsistence / meals / hospitality	10	10	1,327	375
Hotels / accommodation	3	8	1,082	2,163
Other expenses	10	10	650	2,995
			10,324	7,950

(c) Transactions with connected parties

(i) **Subsidiary undertakings**

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

	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
CfBT Education Services (B) Sdn Bhd	1,306	1,152
EDT Middle East Educational Consultancy LLC	398	183
International School of Cape Town (Pty) Ltd	31	12

During the year Education Development Zimbabwe (Private) Ltd charged the Charity £3,205,948 (2021/22: £nil) in relation to work performed for the Charity.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023

6. TRANSACTIONS WITH TRUSTEES AND CONNECTED PARTIES (continued)

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

	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
CfBT Education Services (B) Sdn Bhd	801	801
EDT Middle East Educational Consultancy LLC	(140)	(140)
International School of Cape Town (Pty) Ltd	920	920
Education Development Zimbabwe (Private) Ltd	(157)	-

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

(ii) Other connected parties

Education Development Trust stepped down as a sponsor and member of Anthem from 9 May 2022. Prior to that EDT appointed two trustees to the Board of Anthem Schools Trust and services purchased and agreed prior to that date are treated as related party transactions of the Charity. All transactions between the parties were made on an arms-length basis.

The related party transactions during the period were:

	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
Charge for Education Development Trust services supporting Anthem Schools Trust	-	9
Services provided to Anthem Schools Trust Schools within normal Education Development Trust business	-	11

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023
7. TANGIBLE FIXED ASSETS

Group	Freehold Property £'000	Long term Leasehold Property £'000	Leasehold Improvement £'000	Motor Vehicles £'000	Office Fixtures £'000	IT Systems & Computers £'000	Assets Under Construction £'000	Total £'000
Cost								
As at 1 September 2022	3,373	1,196	4,898	426	1,741	5,063	336	17,033
Additions	32	-	7	-	78	258	336	711
Transfer	-	-	282	-	188	-	(470)	-
Disposals	(39)	-	(18)	-	(294)	(936)	-	(1,287)
Exchange adjustment	(233)	-	(48)	(41)	(35)	(62)	-	(419)
As at 31 August 2023	3,133	1,196	5,121	385	1,678	4,323	202	16,038
Depreciation								
As at 1 September 2022	1,252	986	3,068	407	1,332	4,105	-	11,150
Charge for year	22	40	304	8	184	539	-	1,097
Eliminated on disposal	(38)	-	(18)	-	(294)	(932)	-	(1,282)
Exchange adjustment	(22)	-	(28)	(36)	(33)	(50)	-	(169)
As at 31 August 2023	1,214	1,026	3,326	379	1,189	3,662	-	10,796
Net book value at 31 August 2023	1,919	170	1,795	6	489	661	202	5,242
Net book value at 31 August 2022	2,121	210	1,830	19	409	958	336	5,883
Charity		Freehold Property £'000	Leasehold Improvement £'000	Motor Vehicles £'000	Office Fixtures £'000	IT Systems & Computers £'000	Assets Under Construction £'000	Total £'000
Cost								
As at 1 September 2022		2,349	4,653	105	1,420	4,607	336	13,470
Additions		-	-	-	55	238	336	629
Transfer		-	282	-	188	-	(470)	-
Disposals		(39)	(13)	-	(109)	(783)	-	(944)
Exchange adjustment		-	(7)	(15)	(3)	(9)	-	(34)
As at 31 August 2023		2,310	4,915	90	1,551	4,053	202	13,121
Depreciation								
As at 1 September 2022		1,069	2,940	87	1,048	3,720	-	8,864
Charge for year		49	283	6	166	503	-	1,007
Eliminated on disposal		(38)	(13)	-	(109)	(779)	-	(939)
Exchange adjustment		-	(7)	(11)	(3)	(6)	-	(27)
As at 31 August 2023		1,080	3,203	82	1,102	3,438	-	8,905
Net book value at 31 August 2023		1,230	1,712	8	449	615	202	4,216
Net book value at 31 August 2022		1,280	1,713	18	372	887	336	4,606

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023
8. FIXED ASSET INVESTMENTS
Portfolio structure

	-----Group and Charity-----			
	-----31 August 2023-----		-----31 August 2022-----	
	%	£'000	%	£'000
Fixed income	12.6%	1,188	12.6%	1,194
Equities	31.1%	2,941	29.3%	2,781
Multi Asset Funds	51.5%	4,862	51.2%	4,853
Other	4.4%	419	5.0%	471
Cash held by investment managers	0.4%	34	1.9%	177
Market value as at 31 August	100%	9,444	100%	9,476

Movement in market value of investments	2022/23 £'000	2021/22 £'000
Opening market value as at 1 September	9,476	9,979
Additions	2,403	3,912
Disposals	(2,299)	(4,089)
Gains / (losses)	7	(458)
(Decrease) / increase in cash	(143)	132
Closing market value as at 31 August	9,444	9,476

Historical cost of investment portfolio

	-----Group and Charity-----	
	2023 £'000	2022 £'000
Costs as at 31 August	7,180	7,348

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 August 2023

9. INVESTMENTS IN SUBSIDIARIES

The Charity holds investments in principal undertakings as follows:

	Address /Country of Registration	Company No	% Holding of Issued Share Capital	Turnover £'000	Expenditure £'000	Net Assets £'000
Africa, Middle East and Asia						
CfBT Education Services (B) Sdn Bhd	Unit 5-6, Block D, Kiarong Complex, Lebuhraya Sultan Haji Hassanal Bolkiah, Bandar Seri Begawan BE1318 Brunei Darussalam	n/a	55%	16,230	15,845	5,515
EDT Middle East Educational Consultancy LLC	603, Shk. Rashid Bin Saeed St. Al Nahyan, Post Box No. 22229 Abu Dhabi, UAE	n/a	49%	5,504	5,280	2,003
Education Development Zimbabwe (Private) Ltd	99 Churchill Avenue, Gunhill Harare, Zimbabwe	11145/2022	100%	3,206	3,057	149
Independent Schools						
International School of Cape Town (Pty) Ltd	Woodland Heights, 4 Edinburgh Close, Claremont, 7806, South Africa	2002/026764/07	100%	2,377	2,314	985
Waverley School (Waverley Way) Ltd	Highbridge House, 16-18 Duke Street, Reading, RG1 4RU, UK	3181579	100%	-	40	170

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

On 28th June 2022, a UK subsidiary of the Charity, League for the Exchange of Commonwealth Teachers, was dissolved.

On 18 February 2022, Education Development Trust entered into an arrangement to sell its shares in Waverley School (Waverley Way) Limited in three stages over a period of two years. The second stage of the sale completed during the current financial year. As at 31 August 2023 the Charity still has effective control of the subsidiary and as such the subsidiary is fully consolidated within the Group.

On 19th May 2022, Education Development Zimbabwe (Private) Ltd was incorporated in Zimbabwe.

On 25th May 2023, a subsidiary of the Charity based in Malaysia, CfBT Multimedia Education Sdn Bhd, was dissolved.

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

INVESTMENTS

CHARITY

	Subsidiary Investment Total £'000
Cost as at 1 September 2022 and 31 August 2023	203

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023
10. DEBTORS

	Group		Charity	
	As at 31/08/23 £'000	As at 31/08/22 £'000	As at 31/08/23 £'000	As at 31/08/22 £'000
Amounts falling due within one year				
Trade debtors	6,793	7,539	5,405	5,106
Amounts owed by Group undertakings	-	-	1,583	1,721
Other debtors	1,925	1,704	532	566
Prepayments	1,362	747	472	454
Accrued income	8,146	7,091	6,841	5,728
	18,226	17,081	14,833	13,575

11. CREDITORS

	Group		Charity	
	As at 31/08/23 £'000	As at 31/08/22 £'000	As at 31/08/23 £'000	As at 31/08/22 £'000
Amounts falling due within one year				
Trade creditors	1,788	3,892	1,755	3,849
Amounts owed to Group undertakings	-	-	372	195
Monies held on behalf of third parties	713	708	713	708
Taxation and social security	1,587	1,289	1,369	1,034
Other creditors	2,503	2,600	453	507
Accruals	4,480	4,324	3,509	3,346
Deferred income	10,987	7,929	10,564	7,399
	22,058	20,742	18,735	17,038

	Group		Charity	
	As at 31/08/23 £'000	As at 31/08/22 £'000	As at 31/08/23 £'000	As at 31/08/22 £'000
Movement in deferred income				
Opening balance at 1 September	7,929	8,276	7,399	7,819
Utilised in the year	(7,929)	(7,418)	(7,399)	(6,961)
Income deferred in the year	10,987	7,071	10,564	6,541
Closing balance at 31 August	10,987	7,929	10,564	7,399

Deferred income relates to tuition fee and contract income received in advance of related services being provided and to performance related grants where income is received in advance of entitlement.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023

12. RESTRICTED FUNDS

	European Social Fund Grants £'000	Grants from the UK Department for Education £'000	Other Restricted Grants £'000	Alexandria Schools Trust £'000	League for the Exchange of Commonwealth Teachers £'000	Total Restricted Funds £'000
Balance at 31 August 2021	-	-	30	6,134	3	6,167
Income	5,716	736	-	126	-	6,578
Expenditure	(5,716)	(736)	(30)	(210)	(3)	(6,695)
Net losses on investments	-	-	-	(281)	-	(281)
Balance at 31 August 2022	-	-	-	5,769	-	5,769
Income	7,306	1,995	112	140	-	9,553
Expenditure	(7,306)	(1,995)	(112)	(289)	-	(9,702)
Net gains on investments	-	-	-	3	-	3
Balance at 31 August 2023	-	-	-	5,623	-	5,623
Restricted Fund Balance Sheet as at 31 August 2023						
Investments	-	-	-	5,655	-	5,655
Current Liabilities	-	-	-	(32)	-	(32)
Net assets as at 31 August 2023	-	-	-	5,623	-	5,623
Restricted Fund Balance Sheet as at 31 August 2022						
Investments	-	-	-	5,773	-	5,773
Current Liabilities	-	-	-	(4)	-	(4)
Net assets as at 31 August 2022	-	-	-	5,769	-	5,769

Grants from the UK Department for Education relate to the Behaviour Hubs programme.

Restricted grants are used for specific purposes as stipulated by the donor.

The assets of Alexandria Schools Trust were transferred to Education Development Trust on 1 April 2014. As part of the transfer agreement the former trustees of Alexandria Schools Trust placed restrictions on the use of the funds and therefore the fund is still treated as restricted in the Charity.

The charitable objectives of the League for the Exchange of Commonwealth Teachers are narrower than those of Education Development Trust.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023
13. PROVISION FOR LIABILITIES AND CHARGES
GROUP

	Dilapidations	Other	Pension deficit	Total
	£'000	payments	reduction	
		£'000	£'000	£'000
As at 1 September 2022	561	41	12	614
Utilised during the year	-	-	(5)	(5)
Charge / (release) for the year	8	(21)	-	(13)
As at 31 August 2023	569	20	7	596

CHARITY

As at 1 September 2022	561	20	12	593
Utilised during the year	-	-	(5)	(5)
Charge / (release) for the year	8	(20)	-	(12)
As at 31 August 2023	569	-	7	576

Provisions due in over one year

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

	Dilapidations	Other	Pension deficit	Total
			reduction	
	£'000	£'000	payments	£'000
			£'000	
Due after one year	533	-	2	535

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

The provision for pension deficit reduction payments relates to membership of the Pension Trust's Growth Plan. The £7,000 provision as at 31 August 2023 (2022: £12,000) shown above represents the present value of contributions payable by Education Development Trust that result from the terms of the deficit recovery plan.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023**14. PENSIONS**

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

a. Defined contribution schemes

The assets of these schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the fund and amounted to £1,292,857 (2021/22: £1,150,347). Contributions totalling £231,510 (2021/22: £207,380) were payable to the fund at the year end and are included in creditors.

The Group also participates in the Pension Trust's Growth Plan. This is a funded, multi-employer scheme with defined benefit characteristics. As it is not possible to identify on a consistent basis the share of underlying assets and liabilities belonging to an individual employer, this scheme is treated as a defined contribution scheme. Contributions payable in the year, amounted to £4,682 (2021/22: £14,200). The results of the Growth Plan scheme valuation as at 30 September 2020 showed a deficit of £31.6m. A recovery plan has been established which aims to eliminate the funding deficit over a period of 2 years and 10 months from April 2022. The additional employer contributions required from Education Development Trust as part of this recovery plan are £0.005m per annum. In line with the requirements of the SORP and FRS 102, the present value of contributions payable under the terms of this recovery plan must be recognised as a liability and this is detailed at note 13 to the consolidated financial statements.

b. Defined benefit scheme

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

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

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

Derivation of figures

The figures disclosed below have been derived by approximate methods from the latest full actuarial valuation of the funds. Each actuarial valuation was carried out by a qualified actuary independent of the plan's sponsoring employer. The latest actuarial valuations were carried out as at 31 March 2022 for the LGPS, as at 1 April 2021 for the Educational Exchanges Pension Scheme, as at 31 December 2020 for the Prudential Platinum scheme and as at 5 April 2021 for Mercer DB Master Trust Plan.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023
14. PENSIONS (continued)
Derivation of figures (continued)

	2022/23	2021/22
Assumptions		
RPI	3.30%-3.50%	3.20%-3.50%
CPI	2.30%-3.10%	2.20%-3.20%
Salary increases per annum	2.80%-3.85%	2.70%-4.20%
Pensions increases per annum	2.30%-3.10%	2.20%-3.30%
Discount rate per annum	5.30%-5.50%	4.20%-4.30%

Mortality assumptions

Each fund uses assumptions appropriate to that fund. The LGPS uses Club Vita tables with a long cohort projection and 1.25% improvement. The Educational Exchanges Pension Scheme, Prudential Platinum Scheme and Mercer DB Trust Plan all use the S3PA tables, long cohort with a 1.25% improvement.

	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
Composition of assets and liabilities		
Equities	6,320	6,245
Gilts	4,103	2,386
Other bonds / property	2,982	2,420
Cash / other	2,254	2,862
Plan assets at fair value	15,659	13,913
Derecognition of surplus*	(6,125)	-
Asset value recognised	9,534	13,913
Present value of funded liabilities	(9,534)	(8,731)
Net asset recognised	-	5,182

*The trustees believe that there is a significant uncertainty in the valuation of the pension scheme assets as many of the assumptions that are leading to the net asset position could quite plausibly unwind, which increases the uncertainty on whether the net asset will ever be recovered. Consequently, we consider the recoverability of a net pension asset to be uncertain and therefore falls below the recognition threshold required under FRS 102.

	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
Reconciliation of the present value of liabilities		
Opening present value of liabilities	8,731	12,679
Current service cost	143	279
Past Service costs, including curtailments	-	55
Interest cost	367	206
Contributions by participants	24	32
Net benefits paid out	(357)	(294)
Recognition of insured annuity	1,893	-
Actuarial gains	(1,267)	(4,226)
Closing present value of liabilities	9,534	8,731

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023

14. PENSIONS (continued)

	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
<u>Reconciliation of the fair value of assets</u>		
Opening fair value of assets	13,913	13,390
Interest income	590	217
Re-measurement (losses) / gains:		
Return on scheme assets excluding interest income	(531)	424
Other actuarial losses	(56)	-
Contributions by employer	256	224
Contributions by participants	24	32
Net benefits paid out	(357)	(294)
Recognition of insured annuity	1,893	-
Administration expenses	(73)	(80)
Closing fair value of assets	15,659	13,913

Return on assets

Actual return on assets	59	641

Amount recognised in the SOFA

Current service cost	143	279
Past service costs, including curtailments	-	55
Administration expenses	73	80
Net interest income	(223)	(11)
(Income) / expense recognised	(7)	403

	Year to 31 August 2023 £'000	Year to 31 August 2022 £'000
<u>Analysis of actuarial (loss) / gain recognised within the SOFA gains and losses category</u>		
Actual return less interest income included in net interest income	(531)	424
Other actuarial losses on assets	(56)	-
Experience gains and losses arising on the scheme liabilities	(382)	87
Changes in assumptions underlying the present value of scheme liabilities	1,649	4,139
Derecognition of surplus	(6,125)	-
Total actuarial (losses) / gains	(5,445)	4,650

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023
15. OPERATING LEASE COMMITMENTS

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

	At 31 August 2023 £'000	At 31 August 2022 £'000
Land and buildings		
Group		
Within one year	2,303	2,299
Within two to five years	2,972	3,079
After five years	7,791	7,052
	13,066	12,430
Charity		
Within one year	783	760
Within two to five years	2,512	2,626
After five years	7,791	7,052
	11,086	10,438

The land and building lease commitment figure for both the Charity and the Group includes a total of £1.8m (2021/22: £2.2m) relating to properties which are sub-let to another organisation.

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

	At 31 August 2023 £'000	At 31 August 2022 £'000
Land and buildings		
Group and Charity		
Within one year	401	389
Within two to five years	1,370	1,604
After five years	-	167
	1,771	2,160

16. CONTINGENT LIABILITIES

	At 31 August 2023 £'000	At 31 August 2022 £'000
Guarantees		
CfBT Education Services (B) Sdn Bhd	482	750
EDT Middle East Educational Consultancy LLC	64	54
	546	804

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023

17. PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	-----GROUP-----			-----CHARITY-----		
	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021/22 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021/22 £'000
INCOME						
<u>Income from investments</u>						
Dividends receivable	81	126	207	384	126	510
Rental income	410	-	410	403	-	403
Interest income	50	-	50	16	-	16
<u>Income from charitable activities</u>						
UK	26,398	6,452	32,850	26,399	6,452	32,851
Africa, Middle East and Asia	40,477	-	40,477	23,763	-	23,763
Research and Consultancy	4,923	-	4,923	4,924	-	4,924
Independent Schools	10,153	-	10,153	7,895	-	7,895
Total income	82,492	6,578	89,070	63,784	6,578	70,362
EXPENDITURE						
<u>Expenditure on raising funds</u>						
Investment managers' fees	17	27	44	17	27	44
Other costs	409	-	409	409	-	409
<u>Expenditure on charitable activities</u>						
UK	23,539	6,485	30,024	24,343	6,482	30,825
Africa, Middle East and Asia	41,100	-	41,100	23,777	-	23,777
Research and Consultancy	4,255	183	4,438	4,376	183	4,559
Independent Schools	9,782	-	9,782	7,709	-	7,709
Total expenditure	79,102	6,695	85,797	60,631	6,692	67,323
Total income less total expenditure	3,390	(117)	3,273	3,153	(114)	3,039
Net losses on investments	(177)	(281)	(458)	(177)	(281)	(458)
Net income / (expenditure)	3,213	(398)	2,815	2,976	(395)	2,581
<u>Other recognised gains and losses</u>						
Actuarial gain on defined benefit pension schemes	4,650	-	4,650	4,650	-	4,650
Exchange gain on conversion of subsidiaries	1,064	-	1,064	-	-	-
Total recognised gains for period	5,714	-	5,714	4,650	-	4,650
Net movement in funds before minority interest	8,927	(398)	8,529	7,626	(395)	7,231
Less: minority interest	(554)	-	(554)	-	-	-
Net movement in funds after minority interest	8,373	(398)	7,975	7,626	(395)	7,231
Balance brought forward at 1 Sept 2021	20,553	6,167	26,720	15,678	6,164	21,842
Balance carried forward at 31 Aug 2022	28,926	5,769	34,695	23,304	5,769	29,073

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2023

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	-----GROUP-----				-----CHARITY-----		
	Unrestricted Funds £'000	Restricted Funds £'000	Minority Interest £'000	Total £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total £'000
Tangible assets	5,242	-	-	5,242	4,216	-	4,216
Investments	3,789	5,655	-	9,444	3,992	5,655	9,647
Net current assets / (liabilities)	15,279	(32)	2,882	18,129	10,713	(32)	10,681
Provisions for liabilities and charges	(596)	-	-	(596)	(576)	-	(576)
Defined benefit pension schemes	-	-	-	-	-	-	-
Net Assets as 31 August 2023	23,714	5,623	2,882	32,219	18,345	5,623	23,968
Tangible assets	5,883	-	-	5,883	4,606	-	4,606
Investments	3,703	5,773	-	9,476	3,906	5,773	9,679
Net current assets / (liabilities)	14,772	(4)	3,237	18,005	10,203	(4)	10,199
Provisions for liabilities and charges	(614)	-	-	(614)	(593)	-	(593)
Defined benefit pension schemes	5,182	-	-	5,182	5,182	-	5,182
Net Assets as 31 August 2022	28,926	5,769	3,237	37,932	23,304	5,769	29,073

19. FINANCIAL INSTRUMENTS

	Group		Charity	
	As at 31/08/23 £'000	As at 31/08/22 £'000	As at 31/08/23 £'000	As at 31/08/22 £'000
Financial assets held at amortised cost	38,825	38,000	28,944	26,783
Financial assets held at fair value	9,444	9,476	9,444	9,476
Financial liabilities held at amortised cost	9,484	11,524	6,802	8,605

Financial assets held at amortised cost comprise cash and debtors excluding prepayments.

Financial assets held at fair value are investments.

Financial liabilities held at amortised cost comprise creditors excluding taxation and deferred income.

Accounts

ANNUAL REPORT

2021/22

COMPANY NUMBER: 867944

CHARITY NUMBER: 270901

INTRODUCTION

The report and accounts for the 12 months ended 31 August 2022 have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' 2019 (Financial Reporting Standard 102), and the Companies Act 2006.

CONTENTS

	CHAIR'S REPORT	3
1	OBJECTIVES AND ACTIVITIES IN 2021/22	4
1.1	Vision, purpose and values	4
1.2	Organisational objectives 2021/22	4
1.3	Public benefit	5
2	STRATEGIC REPORT	5
2.1	Strategy	5
2.2	How we work	5
2.3	Educational impact	6
2.4	Safeguarding	15
2.5	Stakeholder engagement	16
2.6	Financial overview	16
2.7	Reserves policy	17
2.8	Investment policy and returns	18
2.9	Energy and carbon reporting	19
2.10	Fundraising	20
2.11	Principal risks	21
2.12	Financial risks	21
2.13	Operational plan 2022/23	22
3	STRUCTURE, GOVERNANCE AND MANAGEMENT	23
3.1	Structure	23
3.2	Governance	23
3.3	Responsibilities of the Board of Trustees	25
3.4	Management	26
3.5	Staff	27
3.6	Risk management and internal control	27
4	REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS	29
4.1	Charity details	29
4.2	Trustees	29
4.3	Members	29
4.4	President and Vice President	30
4.5	Executive	30
4.6	Bankers and professional advisers	30
5	INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF EDUCATION DEVELOPMENT TRUST	31
6	CONSOLIDATED FINANCIAL STATEMENTS AND NOTES	35

CHAIR'S REPORT

Our purpose at Education Development Trust – transforming lives through education – has never felt more important or urgent than it is now. Our impact over the last year shows that the work we do is increasingly, intimately linked with the global recovery and transformation agenda for education and skills. We have more than doubled our reach across schools and education settings globally, now working with almost 26,000 organisations and in every interaction we understand and value the fact that we have another opportunity to advance learning.

We have helped tackle inequity in education in diverse ways this year, particularly in the vast learning gaps that widened during the Covid-19 pandemic, where disadvantage is most present. We have been supporting teachers and school leaders to help pupils catch up in their learning in innovative ways, including tutoring; improving teaching quality and boosting learning outcomes cost-effectively, in an increasingly cash-strapped educational landscape; developing employability skills with children and adults and navigating school-to-work transitions in an unsettling global economic context; and contributing new insight into the global knowledge base of 'what works' in education.

The Covid-19 pandemic presented EDT with many challenges to reach our beneficiaries with front-line services. Schools were closed and careers services severely hampered by a lack of face-to-face engagement, but we adapted effectively with rapid conversion to on-line service delivery – capabilities we continue to invest in and grow. As this report shows, our reach and impact figures have rebounded incredibly strongly as a result. Last year, we reached 3.5 million learners. In 2021/22, that figure is over 9 million.

There are many highlights. The programmes we lead in Ethiopia and Sierra Leone are maturing, reaping dividends in terms of our impact on schools at scale and driving up our ability to contribute to closing equity and inclusion gaps, particularly for girls. We know that working at significant scale is an important aim, as it helps our clients' money go further.

In the UK, our portfolio of work has grown, particularly in relation to the government's catch-up investment in tutoring and in support of early years' teaching. The school-led tutoring programmes we deliver reach deep into those areas of the UK with the highest rates of disadvantage. Early years intervention is also vital, particularly to disadvantaged communities, given what we know about the profound challenges of learning loss in the development of young children – and that the earlier this is addressed for them the better.

The number of people we reach with our services is, of course, only part of the impact story. What happens in the classroom and other learning environments – the quality of these interventions to drive transformation – is the critical dimension of impact that we seek to understand and grow. Children in Ethiopian schools where we work are almost twice as likely to say that how much they learn at school has got 'much better', compared to other schools, reflecting the kind of transformational impact we seek to deliver. In Kenya, 88% of the girls who wanted to transition to employment rather than continue their education had gained the insight and support to start their own businesses. This inspires us to continue to seek out more opportunities to deliver more and deliver better.



Ilse Howling
Chair of Trustees, Education Development Trust

1 OBJECTIVES AND ACTIVITIES IN 2021/22

1.1 VISION, PURPOSE AND VALUES

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

Our vision

A world where everyone's life is transformed through excellent education.

Our purpose

We strive to change education for good around the world, supporting leaders to raise standards, improve school performance, develop great teachers and open career pathways.

Our values

- » **Excellence** in learning outcomes, our people, our solutions and our delivery
- » **Integrity** in the way we build trust in and bring purpose to our work
- » **Accountability** through rigorous and transparent assessment of our performance
- » **Collaboration** by working together across teams and in partnership with clients and customers to build capacity
- » **Inclusion** both by encouraging diversity in our organisation and by serving those for whom education can have the most transformative impact

1.2 ORGANISATIONAL OBJECTIVES 2021/22

In 2021/22, the first year of our three-year strategic plan, we aimed to progress the following objectives. Achievements during the period under review are summarised against each objective.

- » **Inclusion and diversity (I&D):** We made significant progress in becoming a more inclusive employer and having a more diverse workforce. We updated the I&D strategy and targets, gathered vital input via an all-staff I&D survey, set up and ran Special Interest Groups, and undertook a significant amount of work to identify and understand best practice.
- » **Staff engagement and wellbeing:** Our staff engagement survey results showed that we maintained high levels of staff morale as we emerged from the pandemic – staff engagement and retention were prioritised in response to a highly competitive market.
- » **UK education contracts:** In the face of a challenging recruitment environment and evolving technology requirements, we are consolidating the growth of our UK education contracts, using responsive approaches to allocate support and focusing on resourcing to mobilise new contracts and scale up delivery.
- » **Technology:** We were not able to deliver our plan to build the capacity to enable tech change due to unprecedented challenges in the market for relevant skills. As a result, our plan to develop a roadmap of tech change had to be focused on essential infrastructure improvements and new client contracts, with broader progress deferred to 2022/23. Progress on establishing new ways of working was similarly constrained and is largely deferred to 2022/23. This impacted on the conclusion of an Ofsted monitoring visit, that we were not taking effective action on two of our UK programmes, a rating we seek to reverse in 2022/23.

- » **Income diversification:** In 2021/22 we won contracts worth £73m of income (87% of target) but exceeded our contribution (margin) target. We secured £6m of 2021/22 income from new clients, geographies or propositions, diversifying our income by building a resilient, balanced portfolio of clients and income streams, with funders of high potential value representing an increasing share of revenue.

1.3 PUBLIC BENEFIT

Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and are satisfied that all of our work is for the public benefit. Our educational performance is summarised in the Strategic Report, and particularly in section 2.3.

2 STRATEGIC REPORT

2.1 STRATEGY

This was the first year of our three-year strategy for 2021–24. The strategy articulates our intent to be world-leading in the design and delivery of high-impact, large-scale education change programmes and identifies the key areas for action for the three years starting in 2021/22.

Over the 3 years, we will work with education ministries to make education systems better, support school leaders to enhance school performance at scale, work with individuals to improve their career prospects, and contribute to the body of global evidence and insight into what works in education – and how, as a global community, we can reduce inequities in education around the world. Internally, as we emerge from the pandemic, we will take the best of what we have learnt from the crisis, and feature more adaptive working, closer collaboration with clients, geographically agnostic team-working, and more focus on our wellbeing.

2.2 HOW WE WORK

We are organised in four operating activities. We deliver programmes at scale in the UK ('UK') and in Africa, Middle East and Asia ('AMEA'); we conduct research and provide education consultancy services ('Research and Consultancy'); and we manage private schools ('Independent Schools').

We have been researching and delivering programmes to improve education around the world, from early years to post-school careers, since 1968. We develop evidence-informed solutions that draw on our continuous research to bring about real change, raise educational standards, support global efforts to address learning crises and reduce inequalities of opportunity.

2.3 EDUCATIONAL IMPACT

Full information on the impact of all of the programmes listed here is available in our [Annual Impact report 2021/22](#)

Key highlights

In 2021/22, we reached 9.2m learners (2020/21: 3.5m), as our system reform projects in Sub-Saharan Africa reached maturity and our UK Contracts portfolio expanded.

This includes:

- » 3.5m disadvantaged and vulnerable learners (2020/21: 1.1m), representing 38% of total learners reached (2020/21: 32%).
- » 388,000 careers learners and jobseekers (2020/21: 166,000).
- » 181,000 educators (2020/21: 174,000), including 37,000 school leaders (2020/21: 9,000).
- » 26,000 schools and other educational settings (2020/21: 9,000).

We launched 10 new programmes across the UK, Europe, the Middle East and Sub-Saharan Africa (2020/21: 10).

Our impact in: UK education, developing teachers and leaders

This has been an outstanding year in our ability to reach into schools to make a difference, often with more than one programme. The overarching theme of our work in the UK is to close the disadvantage gap. Our projects in England tripled their reach to 1.6m learners in 2021/22, up from 500,000 the previous year, including 400,000 disadvantaged learners.

We are proud of the difference we make to the learning experience of children in schools in England, particularly post-pandemic, where we know learning gaps have widened. This year 38% of all learners touched by our programmes were from vulnerable and disadvantaged groups, although the numbers were even higher in certain programmes: Early Years impacted 36% disadvantaged, school-led tutoring 33% and Early Careers professional development 26%.

Primary-aged children who are not making expected progress at school – many of whom are from disadvantaged groups – are the key children targeted to receive school-led tutoring. These children are then significantly more likely to make 'above expected progress' in maths and English than those who are not on the programme.

- » Maths – primary aged children receiving school-led tutoring: 44.7% went from working 'below expected standard' to working 'at' or 'above expected standard' / non-tutored
- » Reading – primary aged children receiving school-led tutoring: 62.5% went from working 'below expected standard' to working 'at' or 'above expected standard' / non-tutored

18,000 school leaders were engaged in EDT programmes (2020/21: 3,000). The implication of reaching increasing numbers of school leaders, who are 'agents of change' for improvement, enables long-term and sustainable impact both to learners and teachers. The programmes making the most significant contribution to this rise were the School-led Tutoring programme, School Partnerships programme and Early Careers Professional Development programme.

We supported almost 12,000 educational organisations (2020/21: 4,000). This includes schools and colleges as well as TVET, higher education and professional development providers; professional bodies and subject associations. Over 1,200 schools benefit from being supported by two or more projects run by EDT, providing a sustained approach to evidence-based school improvement.

We see the best outcomes achieved by working in collaboration and partnership with local providers of education services. EDT worked with 121 local delivery partners in 2021/22 (2020/21: 64).

Our UK programmes include:

- » Behaviour Hubs
- » Early Career Professional Development
- » Early Years' Professional Development
- » Future Teaching Scholars
- » National Professional Qualifications
- » School-Led Tutoring
- » Schools Partnership Programme

Our impact in: UK employability and careers

The number of learners, businesses and employers who engaged with our employability and careers services more than doubled in 2021/22 which we attribute to London-based careers learning projects growing and working at full capacity following the pandemic. We also added three new projects to our portfolio this year.

- » Learners – up from 166,000 in 2020/21 to 388,000 (rise of 135%), of which 311,000 were young people and 77,000 were adults.
- » Local Businesses and employers – up from 262 in 2020/21 to 629 (140% increase)

42% of all learners (164,000) were from vulnerable and disadvantaged groups, which remain priority audience for our interventions.

The number of schools and other education settings that we support increased by 25% (from 887 in 2020/21 to 1,110 in 2021/22). This includes over 300 in technical vocational and education and training (TVET) and in higher education.

Programmes such as West London Careers Hubs, Careers Clusters, ASK and North-East Ambition are driving results by creating linked networks between education organisations and employers. These improve training and employment prospects for young people and provide local labour market solutions for businesses.

National Careers Service

Our National Careers Service (NCS) work continues to recover from the disruptions of the pandemic, supporting tens of thousands of individuals to develop the skills and confidence they need to get back into work, identify their next steps or re-train. Our advisers help clients build an action plan, improve their interview technique, develop application writing skills and consider their transferable skills, as well as find local training opportunities and focus on all the elements that enhance their employability.

Covid-related restrictions, which required services to be delivered virtually, contributed to a 20% decline in reach in 2020/21. This year, however, we helped 80,400 clients access high quality, impartial careers information, advice and guidance and helped them take their next steps, up by more than 11%.

Our other Employability & Careers services include:

- » Making a Difference
- » North East Ambition
- » Inspiring Schools
- » Careers learning services in London
- » Apprenticeship Support and Knowledge (ASK)
- » Careers clusters

Our impact in: Middle East and Asia

- » Schools supported: Up from 263 to 395 (50% growth)
- » School leaders developed: Up from 341 to 829 (increase of 143%)
- » System decision-makers engaged: Up from 42 to 120 (186% rise)
- » Learners who benefit: Down from 922,000 to 565,000 (decrease of 40%)

In November 2021, we completed our year of involvement with the Jordanian Ministry of Education's Learning Bridges programme, run with support from UNICEF. This scheme enabled 825,000 children to continue to learn during school closures caused by the pandemic and provided professional development for teachers and leaders across Jordan, with an emphasis on creativity, innovation and sustaining improved quality of teaching and learning.

The programme widened access and provided continuity of education for the most economically disadvantaged learners. Although the end of the programme contributed to the drop in learners reached by us this year, it has a sustained impact. Structures are now in place that help the ministry's educators to integrate real-world examples with a cross-curricular approach; use technology flexibly, including sharing printed rather than online materials where online connectivity is low; improve teachers' skills and knowledge in blended learning and technology; and build collaboration for learning between homes, communities and schools.

The success of our work on Learning Bridges led to further involvement in Jordan with UNICEF to build resources and train staff in the country's 200 Makani centres, reaching over 40,000 children. Makani – meaning 'my space' – are safe places for children of all ages to learn, play and gain skills to support their progress in formal education.

Future Ready – a careers education pilot programme in Jordan's secondary schools – targeted 500 students (particularly marginalised learners) and empowered them to engage with their families and directly with employers to make positive careers choices. The scheme inspired greater recognition among learners of the importance of maths, English and digital skills in the labour market and challenged local gender stereotyped perceptions of working roles.

In this region, most of the system-level decision-makers that we reached came through the Alexandria Schools Trust (AST) programme. The number of beneficiaries in Jordan and Lebanon

remained relatively stable at 4,000 Syrian refugee children while we continued to provide exceptional teaching and learning support – plus a wellbeing focus – to refugee communities. Many EDT colleagues volunteer to join online English-speaking classes, to help participants practise the language.

In Brunei, we continued to build capacity and deliver English language teaching for educators flexibly – including face to face, in professional learning communities and online – helping to develop learners' English throughout the country's state schools and sixth form colleges. We recruited almost 200 high quality teachers, ensuring that 98% of Brunei's English language teachers are qualified to grade 3 or above on the teacher performance appraisal scale.

Quality assurance and school inspections are at the heart of our work in the Middle East and accountability is embedded in our global programmes.

Across the Middle East and Asia in 2021/22 we provided inspection services in education settings for eight organisations, including the UK's Department for Education (DfE), the Knowledge and Human Development Agency (KHDA) which oversees private schools and early years education in Dubai, and the ministries of education in Thailand and United Arab Emirates (UAE).

There was significant disruption to our inspection work throughout the pandemic, including lack of access to the schools we work with. Last year, however, we inspected 224 schools, the same as in 2019/20, engaging with almost 500 education leaders, over 9,000 teachers and reaching 221,000 learners.

EDT made a significant contribution to the new UAE School Inspection Framework with the Ministry of Education. Inspectors helped to trial the framework, which will shape how schools are inspected in the future and the quality of education provision.

We completed 23 British Schools Overseas (BSO) and International Quality Mark (ISQM) accrediting visits in the UAE and Thailand. These not only ensure students receive a good quality education but allow them to transfer to schools in other countries of a similar standard, giving them portability of education and a wider range of opportunities.

In the Emirate of Sharjah, we undertook improvement review visits in 101 schools, in which we engaged school leaders in professional dialogue to lead change.

Our impact in: Sub-Saharan Africa

- » Projects running in 2021/22: Up from 3 to 5
- » Educational organisations involved: Up from 4,300 to 12,200 (184% rise)
- » System leaders supported: Up from 3,000 to 3,700 (23% rise)
- » Educators reached: Up from 58,000 to 110,000 (90% rise)
- » Learners who benefit: Up from 1.9m to 6.5m (242% rise)

Across Sub-Saharan Africa, our portfolio has grown from three to five large-scale projects in the last year, connecting with learners and educators in schools and communities. We work in Ethiopia,

Rwanda, Kenya, Sierra Leone and Zimbabwe, where training for high quality teaching and leadership are central to our programmes to transform learning outcomes.

The 110,000 educators we reached included 84,000 teachers and 16,700 school leaders (up from 58,000 educators last year). Through this engagement, we tripled the number of learners reached from 1.9m to 6.6m, of whom 45% are disadvantaged.

The UK Aid-funded Girls Education Challenge (GEC) programme in Kenya, which moves into a sustainability phase from March 2023, supports girls to transition between education phases (primary, secondary and careers) and has now reached 254,000 learners, which includes 137,000 reached indirectly, of which 80% are disadvantaged or marginalized. Girls are comprehensively supported in school, in their community, at home, in girls' clubs and through personal development. We found that members of girls' clubs improved their learning performance, confidence and aspiration towards studying science, technology, engineering and maths (STEM) subjects. Over half now choose to take sciences: Physics (51%), Chemistry (52%) and Biology (53%).

Improvements in literacy and numeracy outcomes for GEC beneficiaries are higher compared to Kenyan national averages. In October 2021 we measured project outcomes and school support and the results showed impressive progress in numeracy – up an average of 11.5 points – and literacy – up 5 points. Pupils and teachers said that the impact of almost 500 new remedial teaching roles in primary schools generated a 30% improvement in learning and performance.

Recent EDT research on communities of practice across our programmes showed that regular sharing of expertise leads to improvements in teachers' skills, competences and professional practice, including self-efficacy, confidence and motivation, resilience and flexibility and subject knowledge.

GEC provided bursaries for almost 4,000 girls to re-access education and for 265 to enter technical, vocational education or training. We gave out 144 business start-up kits for girls who had completed their TVET courses: 88% of these girls started their own community businesses and can support themselves and their siblings or families with the proceeds.

Through the Teacher Effectiveness and Equitable Access for Children (TEACH) programme in Zimbabwe, another UK Aid-funded programme, we focus on enhancing teacher effectiveness and professional development as the means to improving outcomes for all children. Although we had to delay school-level delivery of this programme until September 2022, the project still made progress, working collaboratively with national stakeholders, building capacity and co-designing teacher and leader training programmes.

The Technical Assistance to Reinforce GEQIP-E Ethiopia (TARGET) programme in Ethiopia has grown at great pace, providing training and support to over 9,000 school 'leaders of learning', up from 600 last year in the pilot phase. Through TARGET, we now reach 4.5m learners; in 2020/21 it was 158,000. This programme therefore accounts for a huge proportion of the growth in benefits that school leaders bring to their teachers and pupils. Competency assessment results show that the proportion of school leaders at the level of competent leader or above rose from 15% to 74%.

Student agreement with the statement, 'There are special places in our school where girls can go to feel safe and protected' rose by 54 points from 43% to 97% in TARGET intervention schools (dropping to 29% in non-intervention schools). 45% of students in TARGET schools said they are learning 'much better' than before, compared to 25% of students in other schools. The proportion of school leaders at the level of competent leader or above rose from 15% to 74%.

The Building Learning Foundations (BLF) programme has three components: teacher training, leadership training and system reform (including educational data information and management systems). EDT delivers the UK Aid-funded BLF programme in Rwanda, reaching 34,000 professionals, including training for over 3,000 school leaders via online accredited courses and coaching. In its latest annual review in 2022, FCDO maintained the programme's 'A'-rating.

During the four years of the BLF programme, teaching proficiency and leadership skills have continually improved:

- » 57% of maths teachers are now at benchmark proficiency levels (an increase from 27% in 2018).
- » Over 50% of English teachers are at benchmark proficiency (an increase from 10% in 2018).

We see the impact of their development in outcomes for primary students, who increased their overall English proficiency from a baseline of 19% (2018) and midline of 24% (2019) to 33%.

EDT is working in partnership with UNICEF in Sierra Leone to train almost 40% of the country's primary teachers in foundational literacy and numeracy, to improve outcomes for 600,000 children. So far, the EGRAM programme's reach has exceeded UNICEF's targets, training 180 professional development facilitators, who have cascaded the programme to over 5,000 teachers in 1,386 schools across three administrative regions in the country. Monitoring teachers' progress through the training modules reveals that their literacy scores improved by 83% and maths by a huge 474% increase.

Putting our knowledge into practice: Independent schools

We put our knowledge, gained from work in teacher development, into practice through our ownership and management of independent schools: St Andrew's School and Oakfield Preparatory School in England, which both educate children up to age 11; and the International School of Cape Town, South Africa. The Independent Schools Inspectorate commended our UK schools on excellent academic and personal development aspirations and outcomes for all their children.

Key Stage 2 SATs results at St Andrew's School were more than 25% above average for the local authority; and the school moved up nine places to 35th place in the annual Sunday Times 'Parent Power' survey of the top 100 independent schools in the UK.

At Oakfield School 83% of Key Stage 1 and 2 pupils met or exceeded age-related reading expectations compared to 70% nationally, with a similar impact in maths (82% at Oakfield compared with 69% nationally). All pupils, including all children with SEND, were offered places at the senior school of their choice. Oakfield was commended by the Independent School Teacher Induction Panel (ISTip) for excellent provision and support for early-career teachers (ECTs), as it continued to empower its staff to gain qualified teacher status.

Putting our knowledge into practice: Research and innovationInnovation for impact

We have a structured, evidence-based approach to innovation, focusing on scale to ensure that interventions to address key education challenges reach as many beneficiaries as possible. We apply the principles of EDT's transformation model to embed impact in the design, development and scale of new innovations. In 2021/22 we applied our innovation methodology to three key education challenges.

- » Reducing youth unemployment
- » Developing more school leaders
- » Reaching more marginalised girls

Putting our knowledge into practice: Global consultancy

The scale of our consultancy business has grown substantially. Our research and consultancy teams provided high quality support and inputs for a range of clients, including the Foreign, Commonwealth & Development Office (FCDO), the UN Children's Agency (UNICEF), the Norwegian Agency for Development Cooperation (Norad), the Inter-agency Network for Education in Emergencies (INEE), the British Council, Wellcome Trust, Tatweer Company for Educational Services and the World Bank.

We have offered support, evidence products and expert advice in Tunisia, Pakistan, England, Sudan, the Kingdom of Saudi Arabia, India, Angola, Kenya, Sierra Leone, Rwanda, Uganda, Tanzania, Zimbabwe, Ethiopia and Bangladesh.

Our work reached a large number of beneficiaries: more than 40,000 learners plus 265 educational organisations and 209 system leaders and policy makers. The majority of our projects had a capacity-building element to them and a focus on learning recovery post-Covid-19. About a third of our work continues to be about providing evidence products to support decision-making, policy-formation and reform. Our surveys show that 100% of our clients say they would be likely to use our services again.

Beyond our consultancy work, we published four research reports. Two of these shared findings from a programme of research focused on teacher management in refugee settings and two offered further reflection on learning recovery post-Covid-19.

Putting our knowledge into practice: Knowledge-sharing, events and engagement

Each year, our colleagues share their knowledge of education and development research and impact at international conferences and in researched reports commissioned and published with leading partner organisations. We also strive for accreditation for employment standards and awards for the services we deliver. As the restrictions imposed by the pandemic eased, we enjoyed more opportunities to meet and present our learnings face to face. Events we participated in included the UKFIET Education and Development Forum's conference on international development, EXPO 2020, (the World Education Summit for Education (WISE)), a knowledge-sharing conference on school leadership in Sierra Leone, the Education World Forum (EWF), Rwanda's first National Symposium on Girls' Education, and the EDT UK Delivery Partner National Conference.

Partnerships, research and reports

The Rwanda Basic Education Board (REB) formed a learning partnership with EDT, WISE and the Education Commission to undertake rapid research on school and system leadership during the

pandemic. In winter 2021, the research results from this innovative collaboration – The Rwanda Learning Partnership: Insights on School and System Leadership During COVID-19 – were released alongside an accompanying policy brief, Bridging the Evidence to Policy Gap: A Learning Partnership Approach to Research.

We co-convened a consultation with UNESCO and Brains Africa on UNESCO's Global Education Monitoring Report. And in a joint research report, produced by EDT and IIEP-UNESCO, we examined a critical aspect of inclusive education in refugee contexts, entitled Effective Teacher Management in Jordan. The Jordan report is the second in a four-part series on refugee contexts.

Our case study, Transforming Teacher Professional Development, describes the practical steps taken to improve teacher professionalism. Although it focuses on the UK, the study is relevant in many countries where policy-makers are considering how to nurture a high-performing and highly motivated education workforce.

We launched a podcast series entitled 'Brighter Futures', in which senior stakeholders at EDT discuss key topics, such as leadership for learning and evidence for policy and practice, with external guests. The audience for Brighter Futures includes policy-makers and consultants for government ministries, charities and trusts who inspire positive changes to education policy worldwide.

How we do business: Inclusion and Diversity

Our latest inclusion and diversity (I&D) survey was completed in Summer 2022 by 419 EDT members of staff (2020/21: 269 responses). Responses indicate that our strategy and the approach we have taken to implement it are having a positive effect.

EDT staff are more positive about all areas of inclusion in 2021/22 compared to 2020/21 and staff perception of diversity has increased. 95% of respondents believe EDT values and embraces diversity and 94% agree that all employees have an opportunity to succeed at work.

EDT staff are between 5% and 15% more positive about all areas of inclusion in 2021/22 compared to 2020/21.

We set up three 'special interest groups' (SIGs) for staff to jointly promote company-wide understanding of ethnicity, gender and LGBTQ+. 96% of respondents who attended SIGs said that they found the groups to be beneficial and that they provided a safe space to learn and express views.

There has been a 35% increase in staff perception of inclusion regarding neurodiversity.

However, disaggregated data shows female colleagues felt less valued and less listened to than male colleagues; colleagues in some offices felt they had less opportunity to succeed than in others. There was variation among people in different ethnic groups in their perception of whether EDT is fulfilling its commitment to being an anti-racist organisation, their ability to relate to leaders and their ability to voice their opinion without fear of negative consequences.

Our I&D taskforce developed a list of areas for improvement and, post-survey, will shift focus or prioritisation in response to survey findings. Individual or group experiences feed into our response: inclusion requires that every voice matters.

We are delighted to see that 94% of respondents who are aware of the I&D Taskforce believe it is having a positive impact. However, 18% of respondents were not aware of the Taskforce at all and 40% did not know a lot about its role and function – our challenge in 2023 is to improve this.

We registered for the UK Government accreditation scheme Disability Confident, which supports businesses to attract, recruit, develop and retain employees with disabilities, including people with long-term health conditions. We also joined Inclusive Employers, the leading membership organisation for employers who are committed to prioritising inclusion and creating truly inclusive workplaces.

This is a significant step for our organisation as we continue to strive to become more inclusive. While Disability Confident is a UK initiative, we believe there are also likely to be some learning and best practices that are applicable to our colleagues and operations around the world.

How we do business: Staff morale and wellbeing

Maintaining high staff morale and wellbeing is one of our eight strategic priorities. In 2022 we were shortlisted for the Culture Pioneer Wellbeing Award, in recognition of our work to improve and support wellbeing across our organisation. EDT is one of four finalists. At the time of writing the winner has not yet been announced.

Every colleague, wherever they are based, has access to equivalent wellbeing resources and support. We use the PERMA evidence-informed framework (Positive Emotion, Engagement, Relationships, Meaning and Accomplishment) to support our wellbeing strategy. We have a hybrid (home/office) working model so our employees can take more control of their work-life balance.

We are working to embed the PERMA objectives by growing our team of trained Mental Health First Aiders (MHFA); encouraging activity for wellbeing, such as our Global 5k events; providing financial wellbeing training; free provision of the Headspace app to all employees; and reviewing our occupational Health & Safety position through a wellbeing lens. We maintain and regularly promote our online learning hub, through which staff can engage with mental health issues and wellbeing information. 76% of staff (834 unique visitors) visited the learning hub's Health and Wellbeing and Personal Resilience pages.

Our staff survey, 'Pulse', now includes a dedicated wellbeing section. In December 2021 we measured our organisation against the wellbeing culture we aspire to build, using questions created by the PERMA framework. We are proud that our employee satisfaction score has continued to improve, moving from +64 in November 2019, to +80 in November 2020 and subsequently scoring +82 (December 2021).

We provide all employees with free access to the Headspace at Work mindfulness app. Between March and November 2022, our employees used over 1,000 hours of Headspace support. We monitor popularity of features on the app, which shows that over 10% of our Headspace users seek help with anxiety – and this means further support can be appropriately focused.

In September 2021 we implemented Workplace Adjustment Plans, so we can explore how best to support a person's disability, long-term ill health or neurodiversity. We had more than 30 workplace adjustment discussions with new starters to understand their wellbeing and health needs and have introduced at least 12 plans.

2.4 SAFEGUARDING

Safeguarding remains a central priority at Education Development Trust, with safeguarding procedures embedded throughout the organisation, ensuring a consistent approach and vigilant culture.

Throughout 2021/22, we carried out a cycle of HR policy review to ensure that safeguarding provisions and related procedures were consistent throughout the HR policy suite, with particular focus on Dignity at Work, Inclusion and Diversity, Code of Conduct, and the Disciplinary Policy and procedures.

Safer recruitment procedures were reviewed, with two significant policy changes relating to criminal records checking approved by the Corporate Safeguarding Committee. The organisation always undertakes Disclosure and Barring Service checks on all relevant roles as part of the recruitment process, and to strengthen our approach and ensure consistency, all relevant staff and new starters must now subscribe to the DBS Update Service, enabling EDT to conduct regular checks on those working in regulated activity and unsupervised contact with children.

EDT also joined the international Misconduct Disclosure Scheme, committing to the secure sharing of employee sexual misconduct information and systematically requesting this information from other participating organisations on potential new hires. A new procedure has been developed and implemented globally, to ensure that the scheme is consistently applied.

These two significant recruitment procedures will ensure that EDT is recruiting and employing not only suitable, but safe, individuals to work with our most vulnerable beneficiaries.

Safeguarding capacity has increased in the SSA region with dedicated regional safeguarding expertise overseeing safeguarding arrangements and working closely with the corporate safeguarding adviser to recruit and induct new safeguarding officers to new programmes. The impact has been a more cohesive approach to safeguarding in the region and an enhanced serious incident reporting procedure, which has ensured that concerns and incidents are managed promptly.

A safeguarding champion role with responsibility for ensuring that safeguarding remains a priority at team level has been implemented. This role is to complement the designated safeguarding lead (DSL) role with focus on awareness raising at team and project level. The impact of last year's training and the continuing global community of practice has enabled DSLs to develop their knowledge and confidence as evidenced by prompt reporting and effective case management with the support and oversight of the corporate safeguarding adviser.

All reportable serious incidents during this period were promptly reported to regulatory and statutory authorities and managed in line with our safeguarding policy and procedures. They were all brought to a satisfactory conclusion with the support and endorsement of statutory agencies involved.

2.5 STAKEHOLDER ENGAGEMENT

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

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

Key decisions taken by the Board of Trustees during the year included:

- » Approved the updated school safeguarding policy, considering the interests of school pupils
- » Approved EDT's income diversification approach, considering the interests of our clients, partners and employees
- » Commissioned a reputation survey and developed an action plan based on the results, considering the interests of clients, partners and other stakeholders in the education sector
- » Approved a 3-year Board Development Plan, considering the interests of wider society
- » Approved EDT's educational impact approach, considering the interests of programme participants and communities on which we rely or that we affect

One of the key decisions taken by the Board of Trustees during the year that demonstrates how we understand and engage with stakeholders and consider the external impact of our activities was the development and approval of the Carbon Reduction Plan. The Board was consulted by the Executive on the development of the plan during the year. The trustees held meaningful discussions about the likely consequences of the plan in the long term and the impact on stakeholders.

In developing the Carbon Reduction Plan, we considered the interests of key stakeholder groups, including our clients, partners, employees, suppliers, school pupils and their parents or carers, programme participants, and communities on which we rely or that we affect.

This includes:

- » UK Net Zero by 2040 (wider society)
- » UK focus but widening scope 3 data to meet client procurement requirements (clients)
- » Using e-learning to promote staff awareness, working groups and internal staff updates (employees)
- » Challenging supply chain emissions and external communications (suppliers, partners)
- » Researching ISO and other environmental awards (clients)
- » Use of offsetting (wider society)

2.6 FINANCIAL OVERVIEW

Education Development Trust is an international organisation with approximately 1,200 staff worldwide, income of £89.1m, net assets of £37.9m and group reserves of £21.1m.

Our income is generated by winning education-related contracts from governments and public or private bodies. Our business model is built on the principle of full cost recovery: any activity must recover all its attributable cost. This enables us to be financially sustainable and generate sufficient funds to invest in our sustainability through research and development, innovation and business development, brand building, enabling infrastructure – and in particular our public research.

The year-on-year increase in income of £22.5m was due to the rebound from Covid-19 and major new contracts from the UK Government in the UK and Sub-Saharan Africa. We met our income targets, exceeded our net income targets for the year and delivered a year-on-year increase in Charity and Group reserves.

The Group results for the period show net income before investment, pension and exchange gains and losses of £3.3m (2020/21: £18,000). Total income is £89.1m, an increase of £22.5m from 2020/21. After losses on investments of £0.5m (2020/21: gains of £1.4m), actuarial gains on defined benefit pension schemes of £4.7m (2020/21: £0.9m) and exchange gains on conversion of subsidiaries of £1.1m (2020/21: losses of £0.1m), and after eliminating the net surplus attributable to minority interests of £0.6m (2020/21: £0.1m) the net increase in funds for the year is £8.0m (2020/21: £2.1m).

The actuarial gains on defined benefit pension schemes are driven by the discount rate assumption of 4.2%-4.3% (2020/21: 1.6%-1.7%).

The total assets less current liabilities of the Group amount to £33.4m (2020/21: £30.8m). The net assets of the Group are £37.9m (2020/21: £29.6m). For the Charity, net assets of £29.1m are reported (2020/21: £21.8m). After accounting for actuarial gains, the defined benefit pension scheme accounting balance is an asset of £5.2m (2020/21: £0.7m).

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

2.7 RESERVES POLICY

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

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

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

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

We have monitored solvency using a range of scenarios to stress test cash and reserves up to the date of signing the report. On the basis of this testing and the evident strength of the balance sheet, while an amount of uncertainty about the volume and timing of new business exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern.

On 31 August 2022 free reserves were £13.3m for the Charity (2020/21: £9.6m) and £21.1m for the Group (2020/21: £16.3m). These amounts compare with budget figures set at the beginning of the financial year of £9.6m and £16.4m respectively. They were in line with our dynamic financial planning, and so were at a level that is adequate to meet continuously evolving requirements, including a £5m investment in technology planned for 2022/23 to 2024/25. The increase in Charity reserves during the year was driven by the operational surplus in the year.

2.8 INVESTMENT POLICY AND RETURNS

Our investment policy is to align with our reserves policy by balancing the portfolio between capital maintenance with low- to medium-risk returns over the medium term. We manage investment risk by pooling financial investments in two tiers. Tier 1 aims to represent the general funds minimum reserves requirement and is held in cash and cash equivalents. Tier 2 aims to represent the balance of financial resources in general and restricted funds and is held in balanced investment funds.

The Board of Trustees has wide investment powers and has delegated responsibility for the management of the portfolio, within the agreed risk profile, to selected investment managers. Our policy has an ethical component under which, while having regard to the requirements of charity law to maximise returns, we seek to avoid investing in activities contradictory to our objectives. Trustees periodically review implementation of the policy in consultation with the investment managers. The financial performance component of return on investment is measured against benchmark weighted indices. Historic performance against benchmarks is shown in the following table.

Investment manager	1 Year		3 Years		5 Years	
	Actual	Benchmark	Actual	Benchmark	Actual	Benchmark
Newton (to 31/08/22)	-5.2%	-6.8%	6.5%	3.6%	6.4%	4.4%
HSBC (to 31/08/22)	-3.3%	-5.7%	2.7%	3.7%	3.0%	3.9%

2.9 ENERGY AND CARBON REPORTING

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

Energy Use and Carbon Emissions Disclosure

Primary Statement for 2021/22

	2021/22 Energy Consumption (KWh)	2021/22 Emissions (tCO ₂ e)	2020/21 Emissions (tCO ₂ e)	% Change
Electricity	448,047	86.64	98.56	-12%
Gas	705,381	128.76	143.69	-10%
Transport Fuels	223,090	52.00	6.98	645%
Gross Annual Total	1,376,518	267.40	249.23	7%
Intensity Metric (Headcount)		725	662	10%
Total tCO₂e/head		0.37	0.38	-2%
Qualifying Green Tariffs	440,008	85.09	78.77	8%
Net Annual Total	936,511	182.31	170.46	7%

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

GHG Emissions	2021/22 Energy Consumption (KWh)	2021/22 Emissions (tCO ₂ e)	2020/21 Emissions (tCO ₂ e)	% Change
Scope 1*	722,859	132.96	144.69	-8%
Scope 2 (location based)	448,047	86.64	98.56	-12%
Scope 2 (market based)	8,040	1.55	19.79	-92%
Scope 3	205,612	47.80	5.98	700%
Total (location based)	1,376,518	267.40	249.23	7%
Total (market based)	936,511	182.31	170.46	7%

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

This is the third year of GHG reporting and is aligned with the 2021/22 financial year. The first year's report in 2019/20 forms the baseline year. The baseline year was formed during the Covid-19 pandemic and as such comparisons to this and future years may be skewed. We may re-baseline once operations are less volatile.

We have not developed any carbon targets for the current reporting period. However, over the past 12 months development of a carbon reduction plan to achieve carbon net-zero by 2040 has been underway. The intensity metric chosen is employee numbers (taken as a monthly average). This was chosen as the most suitable metric as the organisation has both schools and offices within the UK and relates well to any changes in the energy consumption and associated carbon emissions.

We have no qualifying carbon offsets during this financial period. Within the UK, all directly sourced electricity that the organisation procures is from REGO-backed or 100% Carbon offset (Kyoto

Protocol). This has reduced gross emissions from the consumption of purchased electricity via a qualifying green electricity tariff by over 95%, equating to a carbon saving of 85.1 tonnes of CO₂e for this financial year.

Energy Efficiency Narrative

This year's reporting period has seen the organisation return to normal operations with occupation of buildings and company transport levels unrestricted but within our new hybrid working and travel policies. The organisation has continued with energy efficiency measures during this financial year. We have undertaken the following principal actions which have had a direct impact on the energy efficiency of the organisation.

- » Rationalised the real estate portfolio and disposed of 21,305 square feet of property during the course of the 2021/22 financial year.
- » Continued to develop the hybrid working model and updated our travel and sustainable development policy.
- » Improved our transport reporting data system with mandatory requirement for reporting of fuel types used.
- » Developed a Carbon Reduction Plan with a commitment to Net Zero and promoted awareness of the significance of travel emissions, through newsletter articles and manager briefings.
- » Our Employability and Careers Sustainability Working Group continued to share good practice on promoting sustainability with employers and partners.
- » Ongoing implementation of energy efficiency measures within our schools portfolio through upgrades to LED lighting upgrades, thermal improvements, window upgrade.

Our Research and Consultancy team have begun to research the impact of climate change on education, and the potential role education can play in increasing adaption, resilience and mitigation. This research is currently focused on Kenya, where the impact of climate change is more significantly felt.

The surveys and associated reports completed as part of Phase 2 Energy Savings Opportunities Scheme should provide a route map for which energy conservation measures can be implemented cost effectively and ESOS phase 3 surveys will occur in the next 18 months. To reduce energy consumption, cost and carbon emissions, we will continue our existing good practices and implement further energy conservation measures in the next 12-month period, in line with our Carbon Reduction Plan.

2.10 FUNDRAISING

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

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

2.11 PRINCIPAL RISKS

The top corporate risks facing the Group, and associated measures for managing those, are:

Risk identified	Further managing actions
Building capacity to match success in business growth	Continued focus on resourcing of new contracts and the tech strategy in the longer term
Challenging economic context in the UK	Continuous support to staff wellbeing and management of new business pipeline
Failure to reverse Ofsted monitoring visit rating in 2022/23	Ensure high quality programmes and impact through continuous improvement plans
Major safeguarding incident	Continuous focus on safeguarding monitoring and enhancement
IT security breach	Continue to develop and implement the IT Security and Disaster Recovery Action Plans

2.12 FINANCIAL RISKS

The following sets out the risk management principles applied to certain types of financial risks.

Liquidity

The Group retains sufficient cash funds to meet the day-to-day needs of the organisation and invests its remaining reserves in longer-term investments to maximise returns. The Group's financing objective is to locate funds that are surplus to operational requirements in the Charity (the parent entity). Subsidiaries provide regular financing plans and proposals for repatriation of surplus funds for approval by the Charity.

Financial market

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

Credit

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

Foreign exchange

Due to the international nature of its activities, the Group's reported reserves, net assets and gearing are all affected by foreign exchange movements. By default, currency exposures are minimised by

denominating transactions in GBP and / or denominating cash in- and out-flows in the same currency. Net exposures are identified, and appropriate management approaches are put in place on a case-by-case basis. The Group does not currently have any currency derivative instruments in place.

Procurement

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

2.13 OPERATIONAL PLAN 2022/23

As we enter the second year of our 3-year strategic period (2021-24), our ambition is to be world-leading in the design and delivery of high-impact, large-scale educational change programmes, transforming even more lives through the power of education and careers advice and guidance – delivering more and delivering better.

In 2022/23, the second year of our strategy, we are focusing on the three core priorities for the successful management of a commercial contracts business: winning work, delivering effectively and ensuring commercial success, underpinned by the two key supporting functions of technology transformation and people.

- » We will win **new business** generating £14m income in 2022/23 from an increasingly diverse client base.
- » We will be highly effective in **delivery** to ensure high-quality programmes with a focus on delivering measurable educational impact.
- » Our **commercial** target is to deliver a net surplus before investment, delivering on our business model of full cost recovery in all business areas.
- » We will initiate a **technology transformation** programme to realise our strategic objective to be seen as leaders at blending technology into education improvement and careers guidance.
- » We will support our **people** through a challenging cost of living crisis, continue to progress our ambitions for greater inclusion and diversity, and implement new systems to enhance personal and team development.

3 STRUCTURE, GOVERNANCE AND MANAGEMENT

3.1 STRUCTURE

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

In Brunei, CfBT Education Services (B) Sdn Bhd, a majority-owned subsidiary, is engaged in the supply of education system reform services and English language teachers to the Sultanate's public school system. The principal activities of the EDT Middle East Educational Consultancy LLC, registered in Abu Dhabi, are to provide educational consultancy and support for schools. During 2021/22, active trading subsidiary companies operated in the UK, Malaysia and South Africa.

During the year, we established Education Development Zimbabwe (Private) Limited, a private company limited by guarantee 100% owned and controlled by EDT; the Centre for British Teachers Education Services and Partners LLC, a fixed asset investment in Oman, in which EDT had a 20% shareholding, was liquidated; the League for the Exchange of Commonwealth Teachers (LECT) and CfBT Holdings, subsidiaries of EDT, were dissolved; and we entered into an arrangement to sell our shares in Waverley School (Waverley Way) Limited over a period of 2 years.

3.2 GOVERNANCE

Education Development Trust was incorporated on 31 December 1965 and received charitable status on 20 February 1976. The Charity is governed by its Articles of Association, last amended in May 2021.

Board structure

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

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

- » The **Audit and Finance Committee** meets four times a year as a minimum. The committee provides an independent oversight of the Group's systems of internal control, risk management and compliance. It also monitors the Group's financial policies and financial management.
- » The **Education Impact Committee** meets three times a year as a minimum to review the educational impact of the organisation's activities. It also has the remit to commission educational research.
- » The **People, Culture and Remuneration Committee** meets three times a year. It has responsibility for reviewing people and culture matters across the organisation, including approaches to employee engagement, staff morale and wellbeing, corporate talent and development initiatives and inclusion. It is also responsible for determining the remuneration and benefits strategy for the Executive, commissioning external salary benchmarking data on a bi-annual basis.

- » The **Corporate Safeguarding Committee** meets four times a year. It provides strategic direction and policy for EDT in relation to safeguarding children, young adults and other direct and indirect beneficiaries globally. It also provides the Board of Trustees with assurance and evidence that we are meeting the applicable core regulations and exercising a duty of care. The Corporate Safeguarding Committee is advised immediately of any emerging safeguarding cases by the Corporate Safeguarding Adviser through our Chief Executive and is kept informed throughout the case management process.

A temporary committee of the Board of Trustees was constituted in October 2022 to oversee the transformation of EDT's technology capability over the life of the programme. The **Transformation Steering Committee** meets five times per year. It has responsibility for owning and maintaining the vision for the transformation, reviewing the strategic case for change and providing effective challenge to ensure that the case for change remains viable, and ensuring that the transformation is delivered to time, cost and quality and that the vision and benefits are achieved.

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

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

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

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

Appointment and role of trustees

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

Trustee indemnity insurance

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

Charity Governance Code

The Charity continues to review and apply the principles of the Charity Governance Code. A three-year Board Development Plan has been agreed for the period 2022–24. This was developed by a trustee sub-group and informed by the outcome of the 2021 Board evaluation which was structured around the key principles of the Code. Key areas of focus are as follows:

- » Specialist **Committees** review organisational performance ahead of review and full decision making by the Board. Specifically, the Audit and Finance Committee is responsible for overseeing the development of a new risk and assurance framework and the ongoing scrutiny and monitoring of risk. A new trustee-chaired Technology Transformation Steering Committee has been formally instituted to oversee the organisation's significant investment over coming years. Committee chairs ensure trustees are members of appropriate committees in line with their skill sets and organisational priorities. The structure and performance of sub-committees is reviewed each year through performance reviews with each chair and is reviewed overall as part of the Board self-evaluation process and external governance reviews, as necessary. (Principle 4: Decision making, risk and control)
- » The **strategic focus** of the Board is being strengthened through further focus of the board agenda and annual schedule of business, including the addition of a programme of regular external speakers on key topics relevant to the organisation's work and its beneficiaries. Trustees' understanding of the Charity and its context continues to be enhanced through a tailored induction programme which includes a trustee buddying pilot for new trustees. Training and development opportunities have been identified including regular safeguarding training to further build relationships and understanding within the group, supported by closed trustee sessions, stakeholder briefing sessions and events, and field visits. (Principle 5: Board Effectiveness)
- » We are actively harnessing **diversity** to strengthen Board thinking and decision making, and the balance of trustee diversity has been significantly strengthened in terms of gender, ethnicity, skills profile and sector experience. The Board continues to provide appropriate support and challenge to the delivery of an organisation-wide 3-year Inclusion and Diversity strategy. (Principle 6: Equality, diversity, and inclusion)
- » The Charity's **stakeholder relationships** have been mapped and documented to develop a stakeholder stewardship programme. This includes harnessing inputs from trustees in terms of networking and opening new relationships to support income diversification. (Principle 7: Openness and accountability)

UN Global Compact

We support the ten principles of the UN Global Compact with respect to human rights, labour, environment and anti-corruption. Through our Letter of Commitment and most recent Communication on Engagement, we have pledged to participate in and engage with the UN Global Compact by ensuring that its principles form part of our strategy, culture and day-to-day operations. Our Letter of Commitment and Communication on Engagement are both available on unglobalcompact.org.

3.3 RESPONSIBILITIES OF THE BOARD OF TRUSTEES

The Board of Trustees is responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Board of Trustees is also responsible for preparing the financial statements

in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). In considering its responsibilities, the Board has had regard to the Charity Governance Code.

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

- » Select suitable accounting policies and then apply them consistently.
- » Make judgements and estimates that are reasonable and prudent.
- » State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- » Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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

The Board of Trustees is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

3.4 MANAGEMENT

During the period, the activity of the Charity was organised in four operational areas:

- » UK: This activity brings together our large-scale UK programmes. The key components of this area are UK Contracts and Employability and Careers.
- » Africa, Middle East & Asia: This activity brings together our large-scale programmes outside the UK. The key components of this area are the Middle East and Asia region and the Sub-Saharan Africa region. The Middle East and Asia region also manages the Alexandria Schools Trust restricted fund.
- » Research & Consultancy: This activity incorporates our consultancy business and our research.
- » Independent Schools: This area includes our three independent (private) schools: two in the UK (2020/21: 3) and one in South Africa. During the year we transferred one of our UK schools, Danesfield Manor, to another proprietor.

3.5 STAFF

During the period under review, we employed an average of approximately 1,200 staff worldwide. We take a proactive position on employee engagement, talent management and personal development opportunities and differentiate ourselves as an 'employer of choice' within relevant recruitment markets.

We are committed to providing equality of opportunity for all and, with the engagement of staff at all levels of the organisation, have developed a clear vision for inclusion and diversity with identified deliverables and accountabilities. Informed by our inclusion and diversity strategy and bi-annual all-staff surveys, the Inclusion and Diversity Taskforce has developed a portfolio of initiatives with the organisation, including building stronger diversity data globally, creating a more inclusive recruitment process and the rollout of Special Interest Groups across the organisation.

We are a Disability Confident Committed employer which reinforces our full commitment to undertaking activities that make a real difference to people with disabilities. This includes giving full and fair consideration to applications for employment made by people with disabilities in line with our inclusion and diversity strategy, having regard to their aptitudes and abilities; continuing the employment of, and arranging training for employees who have become disabled while employed; and focusing on the training, career development and promotion of people with disabilities.

We deploy a wide range of methods to engage and communicate with employees globally on both a small and large scale, maximising our online capability. This has become even more important during the global pandemic when staff feedback has been sought via regular employee engagement 'pulse' surveys. In the last pulse survey of the year, we received an overall satisfaction score of +82% (85% positive less 3% negative). Whilst we have continued to see above-average levels of engagement from staff globally, wellbeing continues to be a key strategic priority.

3.6 RISK MANAGEMENT AND INTERNAL CONTROL

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

Risk management

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

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

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

Internal control

The Audit and Finance Committee provides independent oversight of the effectiveness of the systems of internal control and is responsible for reviewing and approving the annual internal audit programme, reviewing the key findings of the internal audit reports as well as monitoring the implementation of accepted recommendations. The committee also meets at least twice a year with the external auditors, both with and without management, to discuss the annual statutory audit and any internal control weaknesses identified in the management letter.

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

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

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

The Trustees' Annual Report and Strategic Report was approved by the Board of Trustees on 10 February 2023 and signed on its behalf by:



Ilse Howling
Chair
10 February 2023

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

4.1 CHARITY DETAILS

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

4.2 TRUSTEES

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

- » Ilse Howling – Chair; Chair of Nominations Committee; People, Culture and Remuneration Committee
- » Tanya Barron – Audit and Finance Committee; People, Culture and Remuneration Committee
- » Christine Gilbert – Chair of Corporate Safeguarding Committee; Education Impact Committee; People, Culture and Remuneration Committee
- » Julia Grant
- » Nimal Hemelge (appointed January 2022) – Audit and Finance Committee; Transformation Steering Committee
- » Robert Humphreys – Chair of Audit and Finance Committee
- » Joy Hutcheon – Chair of People, Culture and Remuneration Committee; Audit and Finance Committee; Nominations Committee
- » Angela McFarlane – Chair of Education Impact Committee; Transformation Steering Committee
- » Jonathan Simons – Education Impact Committee
- » Muchemi Wambugu (appointed January 2022) – Chair of Transformation Steering Committee; Education Impact Committee

4.3 MEMBERS

Currently Education Development Trust has 35 members. The members take an active role in our work and share their educational experience and expertise for the benefit of EDT. The membership appoints the trustees and is responsible for reviewing the work of EDT, principally at the Annual General Meeting.

4.4 PRESIDENT AND VICE PRESIDENT

Throughout the period, Sir Jim Rose and Sara Hodson acted as President and Vice President respectively. Both were appointed on 30 April 2015 and re-appointed on 21 May 2020 for a second term of five years.

4.5 EXECUTIVE

The Executive is responsible for the operational management of the organisation and, through the Chief Executive, reports to the Board of Trustees or its committees. The Executive team was expanded from 5 to 9 members from 1 March 2022. Current membership of the Executive is below, with dates indicating members joining or leaving within the year:

- » Patrick Brazier (Chief Executive)
- » Tarek Alami (Director Africa, Middle East and Asia) from 1 March 2022
- » Mick Dyson (Director Finance) from 1 March 2022
- » Sarah Farquhar (Director People) from 31 October 2022
- » Tony McAleavy (Education Director)
- » Cheryl McGeachie (Director Marketing and Business Development)
- » Bob Miles (Director Corporate Services; Company Secretary)
- » Anna Riggall (Director Research and Consultancy) from 1 March 2022
- » Anna Searle (Director UK)

Hilary Isham, Global Head of HR, was a member of the Executive from 1 March 2022 to 31 August 2022.

4.6 BANKERS AND PROFESSIONAL ADVISERS

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

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

Opinion on the financial statements

In our opinion, the financial statements:

- » give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 August 2022 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- » have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- » have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Education Development Trust ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 August 2022 which comprise the consolidated statement of financial activities, the statement of financial activities – charity only, the consolidated and charity balance sheets, the consolidated cashflow statement 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).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent 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.

Conclusions related 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 Group and the Parent 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 rise to 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.

Other Companies Act 2006 reporting

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

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

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

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

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

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the

Trustees either intend to liquidate the Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Our tests included:

- » agreeing the financial statement disclosures complied with applicable legislation;
- » enquiries of the Audit and Finance Committee and Senior Management Team, review of minutes of meetings of those charged with governance;
- » reviewing correspondence with HMRC;
- » audit testing a sample of overseas expenditure and UK expenditure, ensuring these have been made in accordance respective authority limits, agreements and internal control procedures;
- » challenging assumptions made by management in their significant accounting estimates in particular in relation to defined benefit pension scheme actuarial assumptions and provisions for bad debts;
- » enquiries of third parties, where information from that third party has been used by the Group in the preparation of the financial statements;
- » reviewing Serious Incident Reports submitted to the Charity Commission, other correspondence with the Charity Commission and performed an assessment of any whistleblowing matters;
- » vouching balances and reconciling items in key control account reconciliations to supporting documentation as at 31 August 2022; and
- » performing audit procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and

regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

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

DocuSigned by:

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Fiona Condron (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Gatwick, UK
Date: 15 February 2023

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

6 CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 August 2022

				Year to 31 August 2022	Year to 31 August 2021 Restated*
	Notes	General Fund £'000	Restricted Funds £'000	Total £'000	Total £'000
INCOME					
<u>Income from investments</u>	1d				
Dividends receivable		81	126	207	202
Rental income		410	-	410	328
Interest income		50	-	50	41
<u>Income from charitable activities</u>	1d				
UK		26,398	6,452	32,850	19,506
Africa, Middle East and Asia		40,477	-	40,477	34,183
Research and Consultancy		4,923	-	4,923	2,578
Independent Schools		10,153	-	10,153	9,720
Total income	2a	82,492	6,578	89,070	66,558
EXPENDITURE					
<u>Expenditure on raising funds</u>					
Investment managers' fees	1e	17	27	44	34
Other costs		409	-	409	327
<u>Expenditure on charitable activities</u>	1e				
UK		23,539	6,485	30,024	17,934
Africa, Middle East and Asia		41,100	-	41,100	35,222
Research and Consultancy		4,255	183	4,438	2,370
Independent Schools		9,782	-	9,782	10,653
Total expenditure	5	79,102	6,695	85,797	66,540
Total income less total expenditure		3,390	(117)	3,273	18
Net (loss) / gain on investments	8	(177)	(281)	(458)	1,385
Net income / (expenditure)	2b	3,213	(398)	2,815	1,403
Other recognised gains and losses					
Actuarial gain on defined benefit pension schemes	14	4,650	-	4,650	909
Exchange gain / (loss) on conversion of subsidiaries		1,064	-	1,064	(109)
Total recognised gains for current period		5,714	-	5,714	800
Net movement in funds before minority interest		8,927	(398)	8,529	2,203
Less: Minority interest		(554)	-	(554)	(133)
Net movement in funds after minority interest		8,373	(398)	7,975	2,070
Balance brought forward at 1 September		20,553	6,167	26,720	24,650
Balance carried forward at 31 August		28,926	5,769	34,695	26,720

*The charitable activity categories have been revised to better reflect the objectives of the organisation. Prior year income and expenditure have been adjusted to reclass European Social Fund Grants of £1,773,000 from general funds to restricted funds.

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

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

STATEMENT OF FINANCIAL ACTIVITIES – CHARITY ONLY
For the year ended 31 August 2022

				Year to 31 August 2022	Year to 31 August 2021 Restated*
	Notes	General Fund £'000	Restricted Funds £'000	Total £'000	Total £'000
INCOME					
<u>Income from investments</u>	1d				
Dividends receivable		384	126	510	880
Rental income		403	-	403	326
Interest income		16	-	16	7
<u>Income from charitable activities</u>	1d				
UK		26,399	6,452	32,851	19,511
Africa, Middle East and Asia		23,763	-	23,763	19,515
Research and Consultancy		4,924	-	4,924	2,578
Independent Schools		7,895	-	7,895	7,708
Total income		63,784	6,578	70,362	50,525
EXPENDITURE					
<u>Expenditure on raising funds</u>					
Investment managers' fees	1e	17	27	44	34
Other costs		409	-	409	327
<u>Expenditure on charitable activities</u>	1e				
UK		24,343	6,482	30,825	18,620
Africa, Middle East and Asia		23,777	-	23,777	19,946
Research and Consultancy		4,376	183	4,559	2,461
Independent Schools		7,709	-	7,709	8,787
Total expenditure		60,631	6,692	67,323	50,175
Total income less total expenditure		3,153	(114)	3,039	350
Net (loss) / gain on investments	8	(177)	(281)	(458)	1,385
Net income / (expenditure)		2,976	(395)	2,581	1,735
Other recognised gains and losses					
Actuarial gain defined benefit pension schemes	14	4,650	-	4,650	909
Total recognised gains		4,650	-	4,650	909
Net movement in funds		7,626	(395)	7,231	2,644
Balance brought forward at 1 September		15,678	6,164	21,842	19,198
Balance carried forward at 31 August		23,304	5,769	29,073	21,842

*The charitable activity categories have been revised to better reflect the objectives of the organisation. Prior year income and expenditure have been adjusted to reclass European Social Fund Grants of £1,773,000 from general funds to restricted funds.

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

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

BALANCE SHEETS
As at 31 August 2022

		-----GROUP-----		-----CHARITY-----	
	Notes	As at 31/08/22 £'000	As at 31/08/21 £'000	As at 31/08/22 £'000	As at 31/08/21 £'000
FIXED ASSETS					
Tangible assets	1f, 7	5,883	6,480	4,606	5,191
Investments	1h, 8	9,476	9,979	9,476	9,979
Investments in Group undertakings	9	-	-	203	203
Total fixed assets		15,359	16,459	14,285	15,373
CURRENT ASSETS					
Debtors: Amounts falling due within one year	10	17,081	15,053	13,575	10,872
Cash at bank and in hand		21,666	24,532	13,662	18,844
		38,747	39,585	27,237	29,716
CURRENT LIABILITIES					
Creditors: Amounts falling due within one year	11	(20,742)	(25,280)	(17,038)	(22,146)
Net current assets		18,005	14,305	10,199	7,570
Total assets less current liabilities		33,364	30,764	24,484	22,943
Creditors: Amounts falling due after more than one year	11	-	(750)	-	(750)
Provision for liabilities and charges	13	(614)	(1,080)	(593)	(1,062)
Defined benefit pension schemes	14	5,182	711	5,182	711
NET ASSETS		37,932	29,645	29,073	21,842
CHARITABLE FUNDS					
General fund (excluding defined benefit pension schemes)		23,744	19,842	18,122	14,967
Restricted funds	12	5,769	6,167	5,769	6,164
SUB TOTAL FUNDS (excluding pension liabilities)		29,513	26,009	23,891	21,131
Defined benefit pension asset	14	5,182	711	5,182	711
TOTAL FUNDS (excluding minority interest)		34,695	26,720	29,073	21,842
Minority interests		3,237	2,925	-	-
TOTAL FUNDS		37,932	29,645	29,073	21,842

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

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



Ilse Howling
Chair
Dated: 10 February 2023

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 August 2022

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
<u>Cash flows from operating activities</u>		
Net income for the year	2,815	1,403
Adjustments for:		
Depreciation on tangible fixed assets	1,149	1,797
Loss / (profit) on sale of tangible fixed assets	188	(3)
Sale of shares in subsidiary	(585)	-
Increase in debtors	(2,028)	(3,779)
(Decrease) / increase in creditors	(5,288)	7,821
Decrease in provisions	(466)	(49)
Less dividends receivable	(207)	(202)
Less interest receivable	(50)	(41)
Post-retirement benefits adjustment	179	119
Dividends paid to minority interest	(243)	(163)
Loss / (gain) on investments	458	(1,385)
Exchange gain on fixed assets	(22)	(144)
Exchange (gain) / loss on conversion of cash	(1)	67
Exchange gain / (loss) on conversion of opening reserves of foreign subsidiaries	1,064	(109)
Net cash (used in) / generated from operating activities	(3,037)	5,332
<u>Cash flows from investing activities</u>		
Interest received	50	41
Dividends received from investments	207	202
Sale of shares in subsidiary	585	-
Purchase of tangible fixed assets	(718)	(1,161)
Sale of tangible fixed assets	-	6
Purchase of fixed asset investments	(3,912)	(2,818)
Sale of fixed asset investments	4,089	2,903
Net cash generated from / (used in) investing activities	301	(827)
Net (decrease) / increase in cash and cash equivalents in the year	(2,736)	4,505
Cash and cash equivalents at the beginning of the year	24,578	20,140
Change in cash and cash equivalents due to exchange rate movements	1	(67)
Total cash and cash equivalents at the end of the year	21,843	24,578
<u>Cash and cash equivalents:</u>		
Cash at bank and in hand	21,666	24,532
Cash at investments managers – money market deposits	177	46
Total cash and cash equivalents	21,843	24,578

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2022**1. PRINCIPAL ACCOUNTING POLICIES****a. Basis of accounting and consolidation**

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

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

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

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

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

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

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

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

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

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

b. Going Concern

We have monitored solvency using a range of scenarios to stress test cash and reserves up to the date of signing the report. On the basis of this testing and the evident strength of the balance sheet, while an amount of uncertainty about the volume and timing of new business exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern. The Board of Trustees therefore considers it appropriate for the accounts to be prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022**1. PRINCIPAL ACCOUNTING POLICIES (continued)****c. Critical accounting judgements and estimations**

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

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

(ii) Recognition of pension scheme asset – in line with FRS102, the Charity only recognises a defined benefit asset to the extent it is considered recoverable through reduced contributions in the future, or through refunds from the scheme. The appropriate accounting treatment is determined for each scheme separately based on review and interpretation of the scheme rules.

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

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

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

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

d. Income

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

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

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

Income from charitable activities has been split under the four key activities identified to meet the Charity's objectives: UK, Africa, Middle East and Asia, Research and Consultancy and Independent Schools.

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 August 2022

1. PRINCIPAL ACCOUNTING POLICIES (continued)

d. Income (continued)

- income from grants is recognised when all conditions for receipt are met. Grants received for specific purposes are accounted for as restricted funds.

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

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

e. Expenditure

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

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

Expenditure on charitable activities has been split under the four key activities identified namely: UK, Africa, Middle East and Asia, Research and Consultancy and Independent Schools. Further detail of the work within each of these areas is detailed in the Strategic Report.

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

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

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

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

f. Tangible fixed assets

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

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

Assets under construction are not depreciated until they are brought into use.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022**1. PRINCIPAL ACCOUNTING POLICIES (continued)****f. Tangible fixed assets (continued)**

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

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

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

g. Impairment of fixed assets

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

h. Investments

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

i. Financial instruments

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022**1. PRINCIPAL ACCOUNTING POLICIES (continued)****j. Pension scheme arrangements****(i) Defined contribution scheme**

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

(ii) Defined benefit scheme

The Charity contributed to defined benefit pension schemes.

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

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

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

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

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

k. Holiday pay accrual

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

l. Operating leases

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

m. Foreign currency translation**(i) Functional and presentation currency**

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022**1. PRINCIPAL ACCOUNTING POLICIES (continued)****m. Foreign currency translation (continued)****(ii) Transactions and balances**

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

(iii) Translation of group entities

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

n. Restricted funds

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022
2. SEGMENTAL ANALYSIS

(a) Group income relating to operating activities	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
An analysis of Group turnover by geographical segment is given below:		
United Kingdom	43,335	28,574
South Asia and South East Asia	15,471	15,574
Middle East	3,745	759
Africa	26,435	21,527
Europe and other	84	124
	89,070	66,558

Within United Kingdom, income of £nil (2020/21: £0.2m) relates to the Coronavirus Job Retention Scheme.
Within Africa, income of £3.8m (2020/21: £4.7m) relates to the FCDO Girls' Education Challenge contract.

(b) Net income	£'000	£'000
An analysis of the net (deficit) / surplus by geographical segment is given below:		
United Kingdom	(1,206)	(1,863)
South Asia and South East Asia	1,389	1,596
Middle East	95	(233)
Africa	2,471	1,837
Europe and other	66	66
	2,815	1,403

3. STAFF AND TEACHER COSTS

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
Wages and salaries	37,878	33,037
Redundancy, termination or ex gratia payments	200	270
Social security costs	2,196	1,700
Pensions	1,818	1,454
Temporary staff	275	200
	42,367	36,661

Redundancy, termination, and ex gratia payments were incurred as part of the ongoing evolution of the business and were accounted for in full in the year that the departure was agreed. The amount payable at 31 August 2022 was £nil (2021: £49,311) and is included within Creditors.

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022

3. STAFF AND TEACHER COSTS (continued)

Staff members whose total annual remuneration was in the ranges:	Year to 31 August 2022 No. of Staff	Year to 31 August 2021 No. of Staff
£60,000 – £69,999	25	22
£70,000 – £79,999	16	14
£80,000 – £89,999	7	4
£90,000 – £99,999	4	4
£100,000 – £109,999	3	-
£110,000 – £119,999	-	3
£120,000 – £129,999	3	-
£130,000 – £139,999	1	2
£140,000 – £149,999	2	2
£150,000 – £159,999	1	2
£170,000 – £179,999	-	3
£180,000 – £189,999	1	-
£201,000 – £209,999	1	-
	64	56

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

The Chief Executive had total annual remuneration in the £180,000 – £189,999 range (2020/21: £170,000-£179,999 range).

Total employer pension contributions for the provision of money purchase schemes totalled £234,204 (2020/21: £219,119) for those staff whose total remuneration was more than £60,000.

	Year to 31 August 2022 No. of Staff	Year to 31 August 2021 No. of Staff
The number of staff whose remuneration was more than £60,000 to whom retirement benefits are accruing under:		
- money purchase schemes	39	37
- defined benefit schemes	3	2
The average monthly number of persons employed by the Group during the period was:	1,218	1,096

Key management personnel

The total employment benefits of the key management personnel was £1,045,484 (2020/21: £775,463) and total employer pension contributions for eight people was £76,707 (2020/21: £58,529 for four people). The Executive team was expanded from 5 to 9 members from 1 March 2022 and this is reflected within the key management personnel figure.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022

4.	NET INCOME is stated after charging / (crediting)	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
	Auditors' remuneration:		
	Group audit (Charity 2021/22: £64,000, 2020/21: £50,000)	67	55
	Other	4	2
	Audits of international subsidiaries	20	18
	Depreciation (note 7)	1,149	1,797
	Remuneration of the Board of Trustees (note 6)	129	120
	Exchange differences	174	(15)
	Governance costs	134	133
	Operating lease rentals: Property	1,205	1,265
	Loss / (profit) on sale of tangible fixed assets	188	(3)
5.	ANALYSIS OF TOTAL EXPENDITURE – GROUP		

*The charitable activity categories have been revised to better reflect the objectives of the organisation.

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

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

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022
6. TRANSACTIONS WITH TRUSTEES AND CONNECTED PARTIES

			Year to 31 August 2022	Year to 31 August 2021
(a) Trustees' remuneration and transactions				
Recipient		Nature	£	£
I Howling		Remuneration	25,000	25,000
R Humphreys		Remuneration	15,500	15,500
C Gilbert		Remuneration	15,500	15,500
A McFarlane		Remuneration	15,500	15,500
J Hutcheon		Remuneration	15,500	13,667
J Grant		Remuneration	10,000	10,000
Y Hofmann	to 31 December 2020	Remuneration	-	5,167
T Barron		Remuneration	10,000	10,000
J Simons		Remuneration	10,000	10,000
N Hemelge	from 24 January 2022	Remuneration	6,048	-
M Wambugu	from 26 January 2022	Remuneration	6,013	-
			129,061	120,334

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

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

		Year to		Year to	
		31 August 2022		31 August 2021	
		£		£	
Nature of expense		Number of Board Members 2021/22	2020/21		
Travel expenses		2	2	2,417	871
Subsistence / meals / hospitality		10	9	375	192
Hotels / accommodation		8	-	2,163	-
Other expenses		10	-	2,995	-
				7,950	1,063

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

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

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
CfBT Education Services (B) Sdn Bhd	1,152	1,020
EDT Middle East Educational Consultancy LLC	183	39
International School of Cape Town (Pty) Ltd	12	8

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022
6. TRANSACTIONS WITH TRUSTEES AND CONNECTED PARTIES (continued)

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

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
CfBT Education Services (B) Sdn Bhd	801	729
EDT Middle East Educational Consultancy LLC	(140)	(101)
International School of Cape Town (Pty) Ltd	920	898
League for the Exchange of Commonwealth Teachers	-	(4)
Waverley School (Waverley Way) Ltd	-	89

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

The Charity has a 20% shareholding in CfBT Education Services and Partners LLC, a company which provides support for educators in Oman. As the Charity does not have significant influence it is treated as a fixed asset investment. The balance outstanding from CfBT Education Services and Partners LLC of £nil at 31 August 2022 (2021: £1,395,000) is included within Trade Debtors.

(ii) Other connected parties

Education Development Trust stepped down as a sponsor and member of Anthem from 9 May 2022. Prior to that EDT appointed two trustees to the Board of Anthem Schools Trust and services purchased and agreed prior to that date are treated as related party transactions of the Charity. All transactions between the parties were made on an arms-length basis.

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

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
Recovery of Anthem Schools Trust staff salary costs and expenses paid by Education Development Trust on behalf of Anthem Schools Trust	-	1
Charge for Education Development Trust services supporting Anthem Schools Trust	9	27
Services provided to Anthem Schools Trust Schools within normal Education Development Trust business	11	7
Services received from Anthem Schools Trust Schools as part of normal Education Development Trust business	-	4

Anthem Schools Trust owed £nil to Education Development Trust as at 31 August 2022 (2021: £3).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022
7. TANGIBLE FIXED ASSETS

Group	Freehold Property £'000	Long term Leasehold Property £'000	Leasehold Improvement £'000	Motor Vehicles £'000	Office Fixtures £'000	IT Systems & Computers £'000	Assets Under Construction £'000	Total £'000
Cost								
As at 1 September 2021	3,350	1,196	6,237	399	1,836	5,157	303	18,478
Additions	7	-	152	3	226	297	33	718
Disposals	-	-	(1,496)	(11)	(339)	(411)	-	(2,257)
Exchange adjustment	16	-	5	35	18	20	-	94
As at 31 August 2022	3,373	1,196	4,898	426	1,741	5,063	336	17,033
Depreciation								
As at 1 September 2021	1,196	946	4,123	364	1,459	3,910	-	11,998
Charge for year	54	40	317	21	151	566	-	1,149
Eliminated on disposal	-	-	(1,375)	(11)	(295)	(388)	-	(2,069)
Exchange adjustment	2	-	3	33	17	17	-	72
As at 31 August 2022	1,252	986	3,068	407	1,332	4,105	-	11,150
Net book value at 31 August 2022	2,121	210	1,830	19	409	958	336	5,883
Net book value at 31 August 2021	2,154	250	2,114	35	377	1,247	303	6,480
Charity		Freehold Property £'000	Leasehold Improvement £'000	Motor Vehicles £'000	Office Fixtures £'000	IT Systems & Computers £'000	Assets Under Construction £'000	Total £'000
Cost								
As at 1 September 2021		2,349	5,995	122	1,495	4,781	303	15,045
Additions		-	152	2	201	234	33	622
Disposals		-	(1,496)	(24)	(277)	(410)	-	(2,207)
Exchange adjustment		-	2	5	1	2	-	10
As at 31 August 2022		2,349	4,653	105	1,420	4,607	336	13,470
Depreciation								
As at 1 September 2021		1,015	4,004	99	1,146	3,590	-	9,854
Charge for year		54	309	8	134	516	-	1,021
Eliminated on disposal		-	(1,375)	(24)	(233)	(387)	-	(2,019)
Exchange adjustment		-	2	4	1	1	-	8
As at 31 August 2022		1,069	2,940	87	1,048	3,720	-	8,864
Net book value at 31 August 2022		1,280	1,713	18	372	887	336	4,606
Net book value at 31 August 2021		1,334	1,991	23	349	1,191	303	5,191

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022
8. FIXED ASSET INVESTMENTS
Portfolio structure

	-----Group and Charity-----			
	-----31 August 2022-----		-----31 August 2021-----	
	%	£'000	%	£'000
Fixed income	12.6%	1,194	12.7%	1,272
Equities	29.3%	2,781	31.2%	3,109
Multi Asset Funds	51.2%	4,853	51.1%	5,099
Other	5.0%	471	4.5%	453
Cash held by investment managers	1.9%	177	0.5%	46
Market value as at 31 August	100%	9,476	100%	9,979

Movement in market value of investments	2021/22 £'000	2020/21 £'000
Opening market value as at 1 September	9,979	8,627
Additions	3,912	2,818
Disposals	(4,089)	(2,903)
Unrealised (losses) / gains	(804)	1,169
Realised gains	346	216
Increase in cash	132	52
Closing market value as at 31 August	9,476	9,979

Historical cost of investment portfolio

	-----Group and Charity-----	
	2022 £'000	2021 £'000
Costs as at 31 August	7,348	7,047

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022
9. INVESTMENTS IN SUBSIDIARIES

The Charity holds investments in principal undertakings as follows:

	Country of Registration	Company / Charity No	% Holding of Issued Share Capital	Turnover £'000	Expenditure £'000	Net Assets £'000
Africa, Middle East and Asia						
CfBT Education Services (B) Sdn Bhd	Brunei	n/a	55%	15,390	14,981	6,331
CfBT Multimedia Education Sdn Bhd	Malaysia	482193-M	100%	-	95	5
EDT Middle East Educational Consultancy LLC	UAE	n/a	49%	2,668	2,745	1,939
Education Development Zimbabwe (Private) Ltd	Zimbabwe	11145/2022	100%	-	-	-
Independent Schools						
International School of Cape Town (Pty) Ltd	South Africa	2002/026764/07 / n/a	100%	2,293	2,108	959
Waverley School (Waverley Way) Ltd	UK	3181579 / n/a	100%	92	40	210

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

On 28th June 2022, a UK subsidiary of the Charity, League for the Exchange of Commonwealth Teachers, was dissolved.

On 18 February 2022, Education Development Trust entered into an arrangement to sell its shares in Waverley School (Waverley Way) Limited over a period of 2 years. The first stage of the sale completed during the current financial year. As at 31 August 2022 the Charity still has effective control of the subsidiary and as such the subsidiary is fully consolidated within the Group.

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

INVESTMENTS

CHARITY	Subsidiary Investment Total £'000
Cost as at 1 September 2021 and 31 August 2022	203

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022
10. DEBTORS

	Group		Charity	
	As at 31/08/22 £'000	As at 31/08/21 £'000	As at 31/08/22 £'000	As at 31/08/21 £'000
Amounts falling due within one year				
Trade debtors	7,539	7,546	5,106	4,941
Amounts owed by Group undertakings	-	-	1,721	1,716
Other debtors	1,704	2,313	566	593
Prepayments	747	688	454	511
Accrued income	7,091	4,506	5,728	3,111
	17,081	15,053	13,575	10,872

11. CREDITORS

	Group		Charity	
	As at 31/08/22 £'000	As at 31/08/21 £'000	As at 31/08/22 £'000	As at 31/08/21 £'000
Amounts falling due within one year				
Trade creditors	3,892	3,306	3,849	3,245
Amounts owed to Group undertakings	-	-	195	161
Monies held on behalf of third parties	708	743	708	743
Taxation and social security	806	695	609	463
Other creditors	3,083	9,159	932	7,368
Accruals	4,324	3,851	3,346	3,097
Deferred income	7,929	7,526	7,399	7,069
	20,742	25,280	17,038	22,146

Amounts falling due after more than one year

Deferred income	-	750	-	750
	-	750	-	750

	Group		Charity	
	As at 31/08/22 £'000	As at 31/08/21 £'000	As at 31/08/22 £'000	As at 31/08/21 £'000
Movement in deferred income				
Opening balance at 1 September	8,276	8,424	7,819	7,875
Utilised in the year	(7,418)	(7,074)	(6,961)	(6,525)
Income deferred in the year	7,071	6,926	6,541	6,469
Closing balance at 31 August	7,929	8,276	7,399	7,819

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022
12. RESTRICTED FUNDS

	European Social Fund Grants Restated* £'000	Grants from the UK Department for Education £'000	Other Restricted Grants £'000	Alexandria Schools Trust £'000	League for the Exchange of Commonwealth Teachers £'000	Total Restricted Funds £'000
Balance at 31 August 2020	-	-	-	5,322	3	5,325
Income	1,773	-	165	124	-	2,062
Expenditure	(1,773)	-	(135)	(161)	-	(2,069)
Net gains on investments	-	-	-	849	-	849
Balance at 31 August 2021	-	-	30	6,134	3	6,167
Income	5,716	736	-	126	-	6,578
Expenditure	(5,716)	(736)	(30)	(210)	(3)	(6,695)
Net (losses) on investments	-	-	-	(281)	-	(281)
Balance at 31 August 2022	-	-	-	5,769	-	5,769
Restricted Fund Balance Sheet as at 31 August 2022						
Investments	-	-	-	5,773	-	5,773
Current Assets	-	-	-	-	-	-
Current Liabilities	-	-	-	(4)	-	(4)
Net assets as at 31 August 2022	-	-	-	5,769	-	5,769
Restricted Fund Balance Sheet as at 31 August 2021						
Investments	-	-	-	6,140	-	6,140
Current Assets	-	-	30	-	3	33
Current Liabilities	-	-	-	(6)	-	(6)
Net assets as at 31 August 2021	-	-	30	6,134	3	6,167

* Prior year restricted income and expenditure have been adjusted to include European Social Fund Grants of £1,773,000 which were previously incorrectly classified within unrestricted funds.

Grants from the UK Department for Education relate to the Behaviour Hubs programme.

Restricted grants are used for specific purposes as stipulated by the donor.

The assets of Alexandria Schools Trust were transferred to Education Development Trust on 1 April 2014. As part of the transfer agreement the former trustees of Alexandria Schools Trust placed restrictions on the use of the funds and therefore the fund is still treated as restricted in the Charity.

The charitable objectives of the League for the Exchange of Commonwealth Teachers are narrower than those of Education Development Trust.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022
13. PROVISION FOR LIABILITIES AND CHARGES
GROUP

	Dilapidations	Tax	Other	Pension deficit reduction payments	Total
	£'000	£'000	£'000	£'000	£'000
As at 1 September 2021	984	16	18	62	1,080
Utilised during the year	(445)	-	-	(50)	(495)
Charge / (release) for the year	22	(16)	23	-	29
As at 31 August 2022	561	-	41	12	614

CHARITY

As at 1 September 2021	984	16	-	62	1,062
Utilised during the year	(445)	-	-	(50)	(495)
Charge / (release) for the year	22	(16)	20	-	26
As at 31 August 2022	561	-	20	12	593

Provisions due in over one year

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

	Dilapidations	Tax	Other	Pension deficit reduction payments	Total
	£'000	£'000	£'000	£'000	£'000
Due after one year	558	-	-	6	564

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

The provision for pension deficit reduction payments relates to membership of the Pension Trust's Growth Plan. The £12,000 provision as at 31 August 2022 (2021: £62,000) shown above represents the present value of contributions payable by Education Development Trust that result from the terms of the deficit recovery plan.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022**14. PENSIONS**

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

a. Defined contribution schemes

The assets of these schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the fund and amounted to £1,150,347 (2020/21: £1,003,961). Contributions totalling £207,380 (2020/21: £171,700) were payable to the fund at the year end and are included in creditors.

The Group also participates in the Pension Trust's Growth Plan. This is a funded, multi-employer scheme with defined benefit characteristics. As it is not possible to identify on a consistent basis the share of underlying assets and liabilities belonging to an individual employer, this scheme is treated as a defined contribution scheme. Contributions payable in the year, amounted to £14,200 (2020/21: £16,969). The results of the Growth Plan scheme valuation as at 30 September 2020 showed a deficit of £31.6m. A recovery plan has been established which aims to eliminate the funding deficit over a period of 2 years and 10 months from April 2022. The additional employer contributions required from Education Development Trust as part of this recovery plan are £0.01m per annum. In line with the requirements of the SORP and FRS 102, the present value of contributions payable under the terms of this recovery plan must be recognised as a liability and this is detailed at note 13 to the consolidated financial statements.

b. Defined benefit scheme

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

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

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

Derivation of figures

The figures disclosed below have been derived by approximate methods from the latest full actuarial valuation of the funds. Each actuarial valuation was carried out by a qualified actuary independent of the plan's sponsoring employer. The latest actuarial valuations were carried out as at 31 March 2019 for the LGPS, as at 1 April 2021 for the Educational Exchanges Pension Scheme, as at 31 December 2020 for the Prudential Platinum scheme and as at 5 April 2021 for Mercer DB Master Trust Plan.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022
14. PENSIONS (continued)
Derivation of figures (continued)

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

Assumptions	2021/22	2020/21
RPI	3.20%-3.50%	3.20%-3.50%
CPI	2.20%-3.20%	2.20%-3.10%
Salary increases per annum	2.70%-4.20%	2.70%-3.95%
Pensions increases per annum	2.20%-3.30%	2.20%-3.30%
Discount rate per annum	4.20%-4.30%	1.60%-1.70%

Mortality assumptions

Each fund uses assumptions appropriate to that fund. The LGPS uses Club Vita tables with a long cohort projection and 1.25% improvement. The Educational Exchanges Pension Scheme, Prudential Platinum Scheme and Mercer DB Trust Plan all use the S3PA tables, long cohort with a 1.25% improvement.

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
<u>Composition of assets and liabilities</u>		
Equities	6,245	6,035
Gilts	2,386	2,272
Other bonds / property	2,420	1,954
Cash / other	2,862	3,129
Plan assets at fair value	13,913	13,390
Present value of funded liabilities	(8,731)	(12,679)
Net asset	5,182	711

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
<u>Reconciliation of the present value of liabilities</u>		
Opening present value of liabilities	12,679	12,246
Current service cost	279	236
Past Service costs, including curtailments	55	-
Interest cost	206	188
Contributions by participants	32	33
Net benefits paid out	(294)	(312)
Actuarial (gains) / losses	(4,226)	288
Closing present value of liabilities	8,731	12,679

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022

14. PENSIONS (continued)

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
<u>Reconciliation of the fair value of assets</u>		
Opening fair value of assets	13,390	12,167
Interest income	217	185
Re-measurement gains:		
Return on scheme assets excluding interest income	424	1,197
Contributions by employer	224	194
Contributions by participants	32	33
Net benefits paid out	(294)	(312)
Administration expenses	(80)	(74)
Closing fair value of assets	13,913	13,390

Amounts recognised in the balance sheet

Fair value of plan assets	13,913	13,390
Present value of plan liabilities	(8,731)	(12,679)
Net asset	5,182	711

Return on assets

Actual return on assets	641	1,382

Amount recognised in the SOFA

Current service cost	279	236
Past service costs, including curtailments	55	-
Administration expenses	80	74
Net interest (income) / expense	(11)	3
Expense recognised	403	313

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
<u>Analysis of actuarial gain recognised within the SOFA gains and losses category</u>		
Actual return less interest income included in net interest income	424	1,197
Experience gains and losses arising on the scheme liabilities	87	206
Changes in assumptions underlying the present value of scheme liabilities	4,139	(494)
Total actuarial gains	4,650	909

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022
15. OPERATING LEASE COMMITMENTS

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

	At 31 August 2022 £'000	At 31 August 2021 £'000
Land and buildings		
Group		
Within one year	2,299	2,491
Within two to five years	3,079	3,330
After five years	7,052	7,696
	12,430	13,517
Charity		
Within one year	760	825
Within two to five years	2,626	2,726
After five years	7,052	7,696
	10,438	11,247

The land and building lease commitment figure for both the Charity and the Group includes a total of £2.2m (2020/21: £2.5m) relating to properties which are sub-let to another organisation.

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

	At 31 August 2022 £'000	At 31 August 2021 £'000
Land and buildings		
Group and Charity		
Within one year	389	386
Within two to five years	1,604	1,592
After five years	167	568
	2,160	2,546

16. CONTINGENT LIABILITIES

	At 31 August 2022 £'000	At 31 August 2021 £'000
Guarantees		
CfBT Education Services (B) Sdn Bhd	750	480
EDT Middle East Educational Consultancy LLC	54	-
	804	480

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

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 August 2022
17. PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	-----GROUP-----			-----CHARITY-----		
	General Fund	Restricted Funds	Total 2020/21 Restated*	General Fund	Restricted Funds	Total 2020/21 Restated*
	£'000	£'000	£'000	£'000	£'000	£'000
INCOME						
<u>Income from investments</u>						
Dividends receivable	78	124	202	756	124	880
Rental income	328	-	328	326	-	326
Interest income	41	-	41	7	-	7
<u>Income from charitable activities</u>						
UK	17,568	1,938	19,506	17,573	1,938	19,511
Africa, Middle East and Asia	34,183	-	34,183	19,515	-	19,515
Research and Consultancy	2,578	-	2,578	2,578	-	2,578
Independent Schools	9,720	-	9,720	7,708	-	7,708
Total income	64,496	2,062	66,558	48,463	2,062	50,525
EXPENDITURE						
<u>Expenditure on raising funds</u>						
Investment managers' fees	13	21	34	13	21	34
Other costs	327	-	327	327	-	327
<u>Expenditure on charitable activities</u>						
UK	16,026	1,908	17,934	16,712	1,908	18,620
Africa, Middle East and Asia	35,222	-	35,222	19,946	-	19,946
Research and Consultancy	2,230	140	2,370	2,321	140	2,461
Independent Schools	10,653	-	10,653	8,787	-	8,787
Total expenditure	64,471	2,069	66,540	48,106	2,069	50,175
Total income less total expenditure	25	(7)	18	357	(7)	350
Net gains on investments	536	849	1,385	536	849	1,385
Net income	561	842	1,403	893	842	1,735
<u>Other recognised gains and losses</u>						
Actuarial gain on defined benefit pension schemes	909	-	909	909	-	909
Exchange loss on conversion of subsidiaries	(109)	-	(109)	-	-	-
Total recognised gains for period	800	-	800	909	-	909
Net movement in funds before minority interest	1,361	842	2,203	1,802	842	2,644
Less: minority interest	(133)	-	(133)	-	-	-
Net movement in funds after minority interest	1,228	842	2,070	1,802	842	2,644
Balance brought forward at 1 Sept 2020	19,325	5,325	24,650	13,876	5,322	19,198
Balance carried forward at 31 Aug 2021	20,553	6,167	26,720	15,678	6,164	21,842

*Prior year income and expenditure have been adjusted to reclass European Social Fund Grants of £1,773,000 from general funds to restricted funds.

Accounts

ANNUAL REPORT

2020/21

COMPANY NUMBER: 867944
CHARITY NUMBER: 270901



INTRODUCTION

The report and accounts for the 12 months ended 31 August 2021 have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' 2019 (Financial Reporting Standard 102), and the Companies Act 2006.

CONTENTS

	CHAIR'S REPORT	3
1	OBJECTIVES AND ACTIVITIES IN 2020/21	4
1.1	Vision, purpose and values	4
1.2	Organisational objectives 2020/21	4
1.3	Public benefit	4
2	STRATEGIC REPORT	5
2.1	Strategy	5
2.2	Who we are and what we do	5
2.3	How we work	5
2.4	Educational impact	6
2.5	Safeguarding	19
2.6	Stakeholder engagement	20
2.7	Financial overview	21
2.8	Reserves policy	21
2.9	Investment policy and returns	22
2.10	Energy and carbon reporting	23
2.11	Fundraising	24
2.12	Principal risks	24
2.13	Financial risks	24
2.14	Operational plan 2021/22	25
3	STRUCTURE, GOVERNANCE AND MANAGEMENT	26
3.1	Structure	26
3.2	Governance	26
3.3	Responsibilities of the Board of Trustees	28
3.4	Management	28
3.5	Staff	29
3.6	Risk management and internal control	29
4	REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS	31
4.1	Charity details	31
4.2	Trustees	31
4.3	Members	31
4.4	President and Vice President	31
4.5	Executive	32
4.6	Bankers and professional advisers	32
5	INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF EDUCATION DEVELOPMENT TRUST	33
6	CONSOLIDATED FINANCIAL STATEMENTS AND NOTES	37

CHAIR'S REPORT

The past year has been exceptionally challenging for education around the world, with continued disruption from the Covid-19 pandemic and sustained school closures in many countries. However, it is also a year in which teachers, leaders and students everywhere have shown extraordinary resilience – doing their utmost to keep learning going even in the most challenging of circumstances. As schools around the world have reopened, we have also seen an incredible focus on learning recovery. It has been our privilege at Education Development Trust to support teachers, leaders and students in multiple countries through these changing situations and to see the many bright spots of good practice and impact that have emerged.

Throughout this turbulent period, we have sought to focus our efforts on how best to ensure education continues and recovers. Around the world, our researchers and consultants have fed into leading global institutions to build up the evidence base on education recovery, and we have harnessed the learning from our research and our programmes to make a real difference to the lives of individuals around the world. In Rwanda, we have helped to guide successful back-to-school campaigns, while in Kenya we have helped thousands of vulnerable girls continue learning and return to school. In England, we have supported teachers as they focus on learning recovery – including those whose training was disrupted by the school closures of 2020. We have also reached 165,000 people through our world-leading employability and careers services, including through launching several initiatives across the country, supporting thousands of people into work.

Meanwhile, we launched a number of exciting new programmes – from support for early career teachers in England to teacher development in Zimbabwe and Sierra Leone – and we have worked closely with partner organisations and ministries of education to improve learning outcomes for students.

Over the past year, we're delighted to have reached 3.55 million learners and 174,000 educators worldwide – over 1,000,000 more learners and almost 80,000 more educators than in 2019/20. In some cases, this increase has been driven by a pivot from face-to-face to virtual delivery models, which we have taken care to ensure are of the same high quality that we are known for by our partners, clients and beneficiaries. We measure the direct impact that our work has on our beneficiaries, but we believe that by investing in system change and strengthening, we are impacting upon even more people in the communities and systems we serve.

I am incredibly proud of what Education Development Trust has continued to achieve in another remarkable year. This includes within our organisation, where we have further increased our focus on inclusion and diversity. Inclusion is, as of this year, formally one of our organisational values, due to our conviction of its importance to our work, our clients and beneficiaries, and our staff. Of course, none of this would be possible without the excellent work of our people around the world, so I am delighted that our staff surveys reflect high rates of satisfaction from the people who make all this happen. I'd like to express my heartfelt thanks to them for their expertise, enthusiasm and dedication, as well as to our excellent partners and stakeholders for their support.

As the world continues to recover from the pandemic and we look to the wider challenges facing education systems today, the commitment of governments and organisations like ours to positive change will be more important than ever. At Education Development Trust, we will continue to champion our mission – improving education to transform lives around the world – and we look forward to building on the impact we have had this year as we look to the future.



Ilse Howling
Chair of Trustees, Education Development Trust

1 OBJECTIVES AND ACTIVITIES IN 2020/21

1.1 VISION, PURPOSE AND VALUES

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

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

Our **purpose**: We strive to change education for good around the world, grounding our work in research and evidence of what works. We support leaders to raise standards, improve school performance, develop great teachers and open career pathways – transforming lives and futures.

Our **values**: We believe in the power of education to help individuals fulfil their potential and benefit society. Our values embody how we go about making our contribution.

- **Excellence** in learning outcomes, our people, our solutions and our delivery
- **Integrity** in the way we build trust in and bring purpose to our work
- **Accountability** through rigorous and transparent assessment of our performance
- **Collaboration** by working together across teams and in partnership with clients and customers to build capacity
- **Inclusion** both by encouraging diversity in our organisation and by serving those for whom education can have the most transformative impact

1.2 ORGANISATIONAL OBJECTIVES 2020/21

In 2020/21, the final year of our three-year strategic plan, we aimed to progress the following objectives. Achievements during the period under review are summarised against each objective.

- **Staff Morale and Ways of Working**: We developed new flexible ways of working that maximised the opportunities for greater global working, reducing travel and office costs as well as our carbon footprint. For more on staff morale and wellbeing: page 18.
- **Inclusion and Diversity**: We developed a clear and compelling vision and strategy for inclusion and diversity with clear deliverables and accountabilities. We implemented initiatives to achieve greater inclusion and diversity. For more on inclusion and diversity: page 18.
- **Employability & Careers**: The impact of Covid-19 challenges, including several lockdowns in the UK, prevented us from achieving our careers targets. However, the adaptations and extraordinary efforts of careers staff limited the downsides. We also secured a significant amount of new business through the European Social Fund. For more on careers: page 15.
- **UK Independent Schools**: The schools successfully managed Covid outbreaks throughout the year, and pupil achievement and progress remained strong. The schools modestly outperformed the budget set for the year. For more on schools: page 17.
- **New Business**: Despite the context and challenges, we won £93m of new business during the year with an average win rate of 91% by value. We outperformed our new business targets on most of our metrics and most encouragingly, our forward-looking indicators have been significantly exceeded, leaving us in a strong position for 2021/22.
- **Future Strategic Growth**: We further integrated our planning and delivery, ensuring that business development is grounded in evidence, innovation in propositions and solutions. We enhanced our external profile and reputation for thought leadership, and quality in design, delivery and impact through hosting of summits and events bringing together leaders and decision-makers in the field of education. For more on events and engagement: page 17.

1.3 PUBLIC BENEFIT

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

2 STRATEGIC REPORT

2.1 STRATEGY

This was the final year of our three-year strategy for 2018–21. The strategy articulates our intent to be world-leading in the design and delivery of high-impact, large-scale education change programmes and identifies the key areas for action for the three years starting in 2018/19. In October 2021 we published our new three-year strategy for 2021–24.

2.2 WHO WE ARE AND WHAT WE DO

We are a business with a charitable status and a strong social purpose. We provide millions of people, mostly children, with greater opportunities to learn and thrive. We are a learning organisation – grounding our programmes in an extensive research programme, which we share freely around the world to help other organisations and governments learn about what works in education. We are a global organisation, providing consultancy around the world and delivering major programmes from four regional hubs, in the UK, United Arab Emirates (UAE), Kenya and Brunei. We make global best practice local.

In our varied work around the world, we have a rich and diverse portfolio of projects and clients – but across all our work, we have a distinctive approach grounded in local capacity and sustainability. We don't 'helicopter' in to try to improve education systems, nor do we create parallel structures that we believe can better the mainstream system. Instead, we work with governments and other funders to improve education systems and attainment from the inside.

We partner with these key actors to support policymakers in driving up standards, unleashing the potential in the education workforce, and enhancing opportunities for the most marginalised children and young people, including through tackling systemic barriers to girls' education. We strengthen teacher training and systems of qualification and support school leaders to train and retain staff, helping them to develop a leadership culture through a school.

We build capacity to guide children and young people as they consider their future career options and we support those who are out of work in finding new ways back into education and fulfilment through national and regional careers advice and guidance services. In all the ways that we work, the common denominator is our commitment to sustainability – by building capabilities, educational champions and culture shifts that continue to deliver benefits to communities and children beyond the length of our programmes and interventions.

2.3 HOW WE WORK

We are organised in three operating activities. We deliver programmes at scale ('Education Services'); we conduct research and provide education consultancy services ('Research and Consultancy'); and we manage private schools ('Independent Schools').

We combine global research and our longstanding expertise with regional knowledge to inform education policy and practice and deliver programmes around the world. Through our work and expertise – which spans from early years education right through to post-school careers – we seek to strengthen education systems, transform teaching and learning, ensure effective transitions into work, and contribute to global responses to key education challenges.

We have been improving education around the world for over 50 years. We develop evidence-informed solutions – drawing on our continually refreshed body of research – to bring about real change, raise educational standards, and support global efforts to address learning crises and reduce inequalities of opportunity.

2.4 EDUCATIONAL IMPACT

Highlights – our reach and impact

In 2020/21, we reached 3.55 million learners – 1.2 million more than in 2019/20. This includes 1.7 million female learners and 1.1 million disadvantaged learners.

We reached 174,000 educators – a growth of 80% on 2019/20 – including 9,000 school leaders, 162,000 teachers and 1,000 coaches.

We reached 9,400 schools and other educational settings – a growth of 50% year-on-year. This included 2,900 additional schools and a substantial increase in the number of non-governmental organisations and local providers of education services that we work with.

We engaged with 6,600 system leaders at local, national and international levels – almost a tenfold increase since 2019/20. This includes:

- 3,463 representatives of international organisations and other decision-makers.
- 2,780 individuals in local or regional authorities.
- 384 officials from national ministries of education.

We reached 73,000 adult learners and jobseekers through our employability and careers portfolio.

We launched ten new programmes across the UK, Europe and Sub-Saharan Africa (SSA) – in areas as diverse as employability, pupil behaviour management, teacher professional development and blended learning.

Middle East and Asia

Jordan

- Our partnership with UNICEF Learning Bridges supported 825,000 school pupils in catch-up learning and provided professional development opportunities for 45,000 teachers.
- Our Connected Learning Centre (CLC) partnered with the Queen Rania Training Academy to design online professional development resources which were accessed by over 50,000 teachers.

Lebanon

- Our Alexandria Schools Trust programme reached 4,300 Syrian refugee children (up from 1,500 in 2019/20) and increased its reach to the local teachers who teach these refugee children by 40%.

Brunei

- Our 200 teachers worked directly in classrooms with over 17,000 students.
- We worked with 450 Bruneian teachers to help develop their skills and practice.

United Kingdom

UK programmes

- 92,600 young people benefited from our careers and enrichment services in school and community settings. We also supported 2,300 educators through our careers programmes.
- Across all of our programmes in the UK, we supported over 17,000 education practitioners.
- Throughout the pandemic, we have developed an extensive selection of resources to assist remote and blended learning, delivered remote professional development for education practitioners, and facilitated virtual communities of practice for schools.
- We have launched three new programmes in English schools in partnership with the UK Department for Education (DfE): Behaviour Hubs, the Early Career Professional Development Programme and the National Professional Qualifications.

Employability and Careers

- While Covid-related restrictions meant that our reach through the National Careers Service (funded by the Education and Skills Funding Agency) declined by nearly 20%, we still reached 73,000 adult learners and jobseekers.
- This decline was also partially offset by a sturdy growth in our school careers services and projects supporting employers – with four new programmes launched to support employability in regions across England.

Europe

- Our CLC offset restrictions on face-to-face delivery by offering resources, events and training opportunities online, directly engaging over 9,000 learners and 2,000 educators in the UK and European partner countries (Denmark, Sweden, Finland, Norway, Belgium and the Netherlands).

Sub-Saharan Africa

Ethiopia

- Our Technical Assistance to Reinforce General Education Quality Improvement Programme for Equity (TARGET) programme, funded by the UK Foreign, Commonwealth and Development Office (FCDO) helped to upskill nearly 2,500 system leaders in data and delivery, and trained over 500 school supervisors and professional development coaches in leadership supervision.
- We also delivered a professional development pilot programme to 600 school leaders in over 500 low-performing schools, with a potential to improve teaching and learning for more than 158,000 learners.

Rwanda

- We have been accelerating system-level reforms, upskilling almost 500 system leaders, more than 3,200 school leaders, and 34,000 teachers.
- Following the success of our work in Primary grades 1 to 3, the Ministry of Education has now expanded the scope of our work into grades 4 and 5.
- We have assisted the Ministry of Education with their Covid-19 response strategy and Girls' Education Policy, helping to ensure both successful back-to-school campaigns and girls' continued access to learning.

Kenya

- We helped to improve learning outcomes and transitions for 59,500 disadvantaged girls.
- We created an emergency plan to support the engagement of vulnerable girls with distance learning, reaching 76% of the girls in our Girls' Education Challenge programme, funded by FCDO, with tutorials and teacher feedback.
- 94% of girls in our programme returned to school on reopening – 10 percentage points more than the national average.

Sierra Leone

- We launched a new programme, funded by UNICEF, designed to improve early grade reading and mathematics by strengthening teacher training, through which we aim to reach 11,000 teachers by 2023.

Zimbabwe

- We began delivering the teacher professional development component of the TEACH (Teacher Effectiveness and Equitable Access for All Children) programme, funded by FCDO, designed to strengthen the national education system and improve learning outcomes.

How we are improving school systems at scale

Assisting ministries of education

We have worked with ministries to build delivery and improvement capacity across school systems for 30 years, and we continue to offer world-class, multi-disciplinary consultancy and change

management expertise. We consistently deliver for our clients and partners – including ministries of education around the world.

In Rwanda, we support the Ministry of Education to improve the quality of English and mathematics teaching at lower primary school level through our Building Learning Foundations (BLF) programme, funded by FCDO. This year, BLF has further increased its traction with the educational authorities, designing and delivering Rwanda's Covid-19 response strategy, which focused on remote learning. As a result, 5,224 English and Maths subject leaders received a training and support package (compared to a target of 3,400) and 2,014 primary teachers received training in English language teaching (exceeding a target of 1,850). BLF scored an 'A' in its annual review by FCDO for the fourth year running. We also supported the production of guidelines for the Rwanda Education Board on catch-up programmes as schools reopened.

Similarly, in Kenya, our GEC programme was awarded an 'A' rating and a 'Green' RAG rating in the fund manager's annual assessment. Particular strengths highlighted included the project team's understanding of the needs of the girls in the programme, and their success in enabling girls to continue learning during school closures.

Meanwhile, in Ethiopia, through our TARGET programme, we have supported the Ministry of Education with technical aspects of its General Education Quality Improvement Programme for Equity programme. 17 specialist workshops were held to support the government in educational planning, programming and evaluation, including the National Consultative Workshop for Senior Education Leaders to Strengthen Education Delivery Systems for Better Performance in July 2021. This attracted almost 100 participants, including three State Ministers of General Education, Director Generals and Directors from the Ministry of Education, Education Bureau Heads and Deputy Heads of twelve regional boards, as well as representatives from FCDO and the World Bank.

In Jordan, we have provided capacity building and quality assurance support to the Ministry of Education through our Learning Bridges programme, impacting a million learners across the country. The programme was considered essential to enabling large numbers of students, especially disadvantaged students, to continue their learning during Covid-19-related school closures.

In addition, we continued to deliver for the Ministry of Education in Brunei, where we recruit, orientate and manage specialist English teachers. Recruitment to the programme has remained high, filling 100% of posts in the last year (against a target of 90%). Moreover, between January and June 2021, 97% of formal lesson observations achieved a rating of 'Good' or above. As a result, our contract with the Ministry of Education has once again been renewed, this time to 2023. The team in Brunei also helped the Ministry to build the capacity of 1,500 local educators in English language skills through a series of workshops and cascade models.

In the UK, we have continued to provide significant support to the DfE in England. This year, we have been awarded Lead Provider status for the Early Career Framework and National Professional Qualifications, while we have also been selected to deliver the Behaviour Hubs programme and been awarded an expansion of the Early Years Professional Development Programme.

Delivering in the midst of Covid-19

In the UK, we used adaptive online models to enable continued school-to-school collaboration through our Schools Partnership Programme (SPP), reaching 1,750 schools across England, compared to 892 schools in 2019/20. This increase is due to our re-engagement with 'alumni schools' that have previously completed the programme to offer them additional support. We also

continued to deliver our careers services remotely where necessary, reaching 73,000 jobseekers and adult learners. Although this is a decrease of approximately 20% compared with 2019/20, we believe the impact of the work remains highly significant, impacting both exceptionally vulnerable individuals and those whose lives and careers had been upended by the pandemic.

Meanwhile, we ran remote communities of practice in Rwanda, Kenya and Lebanon to help teachers continue their professional development and support them through the disruption of school closures. We also developed remote learning materials for students in many parts of the world – from remote careers education in England, to radio lessons in Rwanda, to paper-based materials for vulnerable girls in Kenya and adaptable (high-tech to no-tech) materials in Jordan.

Driving improvements in teacher professional development

Teaching quality is the single biggest driver of student learning outcomes within a school environment – so it is hugely important to ensure that teacher professional development (PD) programmes are effective. This is a core part of our work around the world, and we believe teacher PD will be an area of increasing importance – with even greater demand – in the context of Covid-19 recovery. We have made an outstanding impact in this area, reaching almost 174,000 practitioners across our programmes. This is 80% more practitioners than we reached in 2019/20, in part due to virtual delivery methods which enabled economies of scale, and in part due to schools reopening, enabling us to resume delivery.

Rwanda: supporting teachers through school reopening with communities of practice

In Rwanda, our work has enabled over 30,000 teachers to receive orientation on remedial education and catch-up programmes, following the reopening of schools in early 2021. We also facilitated the continuation of teaching training and support throughout school closures through communities of practice, many of which continued virtually, using videoconferencing and/or WhatsApp. These offered important opportunities for teachers to discuss the practicalities of working through the pandemic, preparing for schools reopening, and learning recovery, as well as helping teachers to develop their skills and practice in key areas. 91% of teachers involved felt these groups had enabled them to identify ways to better support learners to address lost learning. Moreover, our Teachers Learning Together study found that teaching improved for all teachers involved in communities of practice, despite the school closures of 2021.

“[The] collaboration helped me much ... It helped me to make teaching aids, preparing a lesson, and speaking English.”

Teacher, Gisagara district, Rwanda

UK: supporting early career teachers and early years professionals

In the UK, our Future Teaching Scholars (FTS) continue to thrive despite the ongoing challenges. An assessment of teaching quality this year showed that by the end of their first term of teaching, Scholars were already performing in line with the performance expected of a teacher at the end of their initial teacher training – placing them approximately one or two terms ahead of their peers. 100% of the cohort who obtained qualified teacher status were offered and accepted a teaching post (against a target of 95%). This reflects the results of the programme in 2019/20, despite the disruption of the pandemic.

“It was so inspirational listening to them talk about their continued passion for teaching, how much they love FTS... and how committed they are to teaching for the long term now.”

Emily Giubertoni, Bishop Challoner Regional Training Centre Coordinator, UK

We launched our DfE-funded Early Career Professional Development Programme this year, which enables early career teachers to reflect on their own practice, supported through mentoring, learning networks and tailored training opportunities – with a view to developing teachers’ feelings

of self-efficacy, resilience and purpose, and thereby increasing their likelihood of staying in the profession. Since launching training in November 2020, 1,273 early career teachers and 1,107 in-school mentors have attended multiple training events and been provided with high-quality professional development materials. The training helped teachers to feel enthused and confident about classroom teaching and behaviour management: 93% of them agreed or strongly agreed that it was useful for them to share ideas with other early career teachers; 98% felt they gained an understanding of the roles that working and long-term memory play in learning; and 99% felt they had gained a clear understanding of non-intrusive behaviour management strategies which could be tried in their own classrooms.

“The course was very well run and the facilitators were very organised, professional and friendly.”
Participant, Early Career Professional Development Course

Acknowledging this success, we were also selected to become a Lead Provider for the DfE’s reformed National Professional Qualifications for teachers and school leaders, in which we will combine our extensive experience of delivering teacher and leader professional development on a national scale with the best sector expertise and insights from internationally recognised experts in professional learning.

We also deployed the expertise of our employability and careers team to provide professional development opportunities for 1,700 educators in 700 schools, helping them to develop the knowledge and insights needed to guide their students in their future careers decisions.

The Connected Learning Centre: supporting teachers in computing and technology

The CLC has continued to punch above its weight with a worldwide impact, providing successful curriculum support and Continuing Professional Development (CPD) workshops in computing and technology to enhance learning. 50,000 teachers in the Middle East took CLC’s course on effective use of technology in the classroom through the IBM-funded BlendEd programme, assisting teachers with blended learning. For this, the team held 12 live CPD events, released 22 self-paced courses, and shared over 100 videos and over 200 blended learning resources.

“It has inspired me to create more dynamic resources and cascade today’s skills and knowledge to my colleagues.”
BlendEd course attendee

In the UK, CLC has directly worked with 194 schools and educational settings, 8,855 pupils and 1,882 teachers. The average teacher rating for our workshops and CPD courses was 4.48/5, a very slight decrease since last year (4.78/5), largely due to reliance on more challenging remote delivery methods. However, 95% of teachers felt that the work they had done with CLC would improve their teaching practice, and 90% felt confident that it would bring positive impact to pupils.

Lebanon: supporting refugee teachers

Through Alexandria Schools Trust, we work with local non-governmental organisations in Lebanon to improve English-language proficiency of teachers working in non-formal education settings – predominantly teaching Syrian refugee children. Where possible we identify, train and deploy teachers who are themselves refugees. Despite the challenges of the pandemic and a severe economic crisis in Lebanon, this year the programme achieved its highest ever number of attendees – 140 teachers and 36 school leaders – and the strongest teacher feedback to date. Every teacher on the course reported being either satisfied or very satisfied with the support they received. 89% had improved their confidence in listening and speaking English and 84% believed it had improved their reading and writing skills. This impact has been verified by an assessment of the English-speaking skills of a sample of trainees at the beginning and end of the course: 60% of this sample demonstrated improvement in their English-speaking skills.

Jordan, Sierra Leone and Zimbabwe: new programmes of support for teachers

As part of our Learning Bridges programme in Jordan, launched in 2020 in partnership with UNICEF, we developed a remote learning professional development course for teachers, which has been completed by 45,000 teachers to date.

In Sierra Leone, we launched a new programme in partnership with local organisation, EducAid, in July 2021, designed to improve early grade reading and mathematics by strengthening teacher training. The programme contributes to the Global Partnership for Education's support for Sierra Leone, overseen by UNICEF, and will provide professional development for over 11,000 teachers between 2021 and 2023.

We also began delivery of a major new contract in Zimbabwe in the summer of 2021 – delivering the teacher professional development component of the TEACH programme, making a vital contribution to the programme's strengthening of the education system through nationwide teacher professional development.

Supporting leadership for learning

We have an evidence-informed model to develop highly effective educational leadership at all levels, empowering them to lead learning and drive up standards in schools and beyond.

Ethiopia: school leadership training for equitable school improvement

We rolled out a pilot of the National School Leadership Training (NSLT) and School Leaders Continuous Professional Development (SLCPD) programmes, using our distinctive evidence-based training model to improve the skills of school leaders in community engagement, inclusion, teaching and learning, and school improvement. The NSLT training programme has so far reached 80 principals and vice principals in secondary schools while the SLCPD programme has trained almost 500 school leaders in Ethiopia's emerging regions. This early engagement is helping to improve teaching quality among 8,500 teachers and consequently the learning experiences of 158,000 children – most of whom are disadvantaged and vulnerable learners, such as girls in pastoralist communities.

All schools in the pilot have also hosted professional learning communities for school leaders from different schools, who have commented on how these communities have helped them to collaboratively find solutions to problems, see new practices in action which they can replicate in their own schools, and identify the performance level of their own school and ways to improve it – as well as boosting morale. The training model is based on evidence of what works in educator professional development, which clearly demonstrates the advantages of collaborative learning.

"I have changed my attitude, began to love my career, and decided to continue in my position. This is really the result of the new training which not only supports me to like my job, but also saved my career."

School Leader, Sidama region

As a learning organisation, we are investing in researching the impact of the pilot with the 80 school leaders, tracking impact on instructional leadership skills and on school professionals. The results of the pilot are being used to plan for the programme's scale up.

Rwanda: promoting leadership for learning

The BLF programme supports leaders of learning, high-performing headteachers who are given a role to run professional learning communities (PLCs) and coach peer headteachers in school improvement. As a result of the programme, 98% of headteachers met the benchmark for key school leadership standards that promote learning – up from 66% in March 2020, and compared to a target of 65%.

Leaders of learning have been pivotal in organising Rwanda's response to the Covid-19 crisis at school level, including the government's flagship back-to-school campaign in January 2021. The PLCs provided a flexible structure to convene headteachers in problem-solving sessions to discuss how to get children back to school. For example, in the PLCs, all headteachers were requested to identify vulnerable children, discuss the hardest-to-reach cases, and to start engaging parents through SMS and visits where possible. The leaders of learning also made use of social media, mobile technology and online platforms to connect headteachers. Despite the crisis, 100% of the headteachers we work with attended at least one PLC in the 2020/21 academic year, exceeding the target of 90%, and 95% attended at least five sessions. This marks an increase from 94% attendance in 2020 and just 49% in 2018 and testifies to the effectiveness of these groups in helping school leaders to develop their skills, their confidence and their schools.

"It is what we learn, discuss and share in PLCs which guides us in our school to lead learning."
David, Headteacher

UK: supporting leaders through school-to-school collaboration

Our Schools Partnership Programme (SPP) has continued to provide coaching and support to senior and middle leaders within clusters of schools, helping them to engage in a continuous cycle of self- and peer-review and school-to-school support and improvement. Despite the disruptions of the pandemic, SPP still managed to deliver to 70% of schools its Education Endowment Fund cohort in the Autumn term of 2020, and to run well-received and well-attended sessions for its National Partnerships schools. It also developed new resources, including virtual peer reviews and focused enquiry frameworks to enable schools to continue their SPP engagement through new modalities and platforms.

"The schools in the Berkshire Alliance of Special Schools partnership that have been involved in SPP have had a much more honest and open approach to discussing risk assessment, sharing documents and making decisions during this time and this is down to the culture developed through SPP."
Headteacher, Berkshire

The collaborative approach of the SPP has proved vital in continuing to build schools' resilience to the difficult circumstances surrounding the pandemic. As a result, the SPP Affiliate Alumni programme launched for schools to continue SPP when they have completed the core programme to further its impact and support, and the SPP model has been expanded to multi-academy trusts (MATs) to support even more education leaders.

"This sort of collaboration, in a space can that often be competitive, has been transformative for our trusts, our schools, our staff and our own development. If every MAT leader had this kind of opportunity, there's no telling how much the system could gain. As we look to rebuild from Covid, valuing collaboration over competition is surely an area of policy worth exploring."
Helen Rowland and Andy Yarrow, Schools Week

Leading thinking on the role of the middle tier in education leadership

We are conducting a programme of research, in partnership with IIEP-UNESCO, into the potential of instructional leaders at the so-called 'middle tier' of education systems: the layer between schools and state-level institutions. In January 2021, we published our first report from this programme, in collaboration with IIEP-UNESCO and the Education Commission: a review of the international evidence on the potential of the middle tier to support education system reform, while the final report, featuring five in-depth global case studies, is set to publish in 2022.

Using accountability for school and system improvement

Accountability, quality assurance and school inspections have long been at the centre of our work in the Middle East, although there has been significant disruption to our work in this area as a result of school closures throughout the pandemic. While such closures have enabled us to innovate – for example, designing remote inspection services to ensure quality teaching during periods of closure – much of our usual work has been put on hold due to lack of access to the schools we work with. However, as the world moves towards recovery from the pandemic, we plan to adapt and scale our recent innovations for the post-Covid-19 context, making effective use of technology to support efficient accountability processes across education settings and supporting education leaders – both local and national – in accessing data and insights to inform their decision-making.

More broadly, we also ensure that accountability – as one of our key organisational values – is embedded in all our programmes. For example, in Ethiopia, our TARGET team has been working closely with the School Improvement Programme Directorate to conduct inspections of 150 low-performing schools.

We also strive to ensure accountability through rigorous and transparent assessment of our own performance, and we are continuing to invest in monitoring and evaluation to ensure that we deliver the best possible outcomes for our clients and beneficiaries.

Supporting girls' education in challenging contexts

We know that girls' education is one of the key challenges of our times. We are working to both strengthen systems to enable more girls to learn the skills they need to thrive through completing a full course of quality education and make important contributions to the global evidence base on girls' education. This year, this has included a number of key reports for clients such as FCDO and the EdTech Hub.

Rwanda: supporting girls' return to school and developing strategies to improve gender equity

The BLF programme's multi-level approach to improving Rwanda's education system includes its strategies to improve gender equity. As well as finding ways to increase numbers of female school leaders, the programme equips them to increase both girls' access to schooling and their performance at school. With this in mind, this year, BLF provided technical assistance to the Ministry of Education on the revision of its Girls' Education Policy, highlighting the following strategic priorities:

- Embedding gender-responsive culture and practices throughout its own programme implementation and governance.
- Strengthening the education system to respond to gender and safeguarding issues.
- Supporting girls' access to useful information, education and communication materials.
- Advocating for gender-equitable and inclusive processes at school and institutional levels.

In addition, the BLF team has worked with the Ministry of Education to ensure support for girls returning to school after the Covid-19-related closures – especially where girls have faced early marriage or pregnancy. BLF is supporting PLCs for headteachers, many of whom are facing such issues. One headteacher described how he encouraged a pregnant student's family to send her back to school, and supported her at school so that she did not miss out on learning. The sharing of this story in the PLCs motivated other school leaders to follow up on similar cases in their own schools.

Kenya: supporting girls' education amid Covid-19

Our Girls' Education Challenge (GEC) programme in Kenya, supports the transitions of girls from primary education to secondary education or vocational pathways. It continues to demonstrate

success, with consistently higher rates of transition among girls in the programme (88%) than the national average (80%), but these gains were threatened by prolonged school closures amid the pandemic.

We created an emergency plan, featuring girls' reading camps, provision of paper-based resources and an enhanced role for community health volunteers (CHVs) to support the engagement of vulnerable girls with remote learning. As a result, the programme still reached 76% of the girls participating through tutorials and feedback and continued tracking 90% of participants. A study in January 2021 found that girls in the programme had an excellent return rate following school closures (94%), ten percentage points higher than the average return rate of vulnerable adolescent girls (84%) in urban and rural areas in Kenya. Girls had an 88% attendance rate – up from 86% prior to the closure period – and the study also found that girls in the programme displayed no overall learning loss despite school closures.

As a learning organisation committed to ongoing research and development, we invested in capturing key innovations developed by our GEC team during the pandemic. This included research on the enhanced role of the CHVs. The innovative model and key learnings from the team were published in a research report in autumn 2020, and we have been active in sharing and disseminating insights from this innovation with the wider global community, including a webinar with the Education Commission. They also made a major contribution to a series of 'lessons learned' workshops on the Covid-19 response, run by the GEC management team.

Community-assisted learning: mobilising reading camps and community health volunteers

In Kenya, we organised reading camps as part of the measures to engage with learning during school closures. The camps were facilitated by teachers, coaches and mentors and were accessed by 35% of girls – more than any other mode of out-of-school learning in rural (arid and semi-arid) areas. The team also created and provided paper-based resources to support home learning without access to technology (accessed by 31%). Both reading camps and paper-based resources seem to have had an effect on mitigating learning loss. The average test scores of girls accessing reading camps and using paper-based learning were 8% higher for SeGRA (language skills) and 18% higher for SeGMA (mathematics), compared to girls who accessed neither.

Meanwhile, we also continued to mobilise 500 CHVs to connect girls with education during school closures, visiting 11,543 households, directly reaching 16,076 learners and indirectly reaching 31,384 girls (e.g. through calls and texts). CHVs were also trained in monitoring and addressing gender-based violence. Their role in supporting education has now been absorbed into their regular work as community volunteers.

Expanding the evidence base for policy and practice

Our research and consultancy teams have continued to provide high-quality usable outputs for a range of key clients, including UNICEF, FCDO, Norad, the Queen Rania Foundation, and the EdTech Hub.

Our consultancy projects reach a large number of beneficiaries: this year, we reached 897,000 learners and 45,000 educators through our consultancy projects alone. Through these projects, we also worked with 3,300 system leaders, 123 policymakers and 20 education organisations globally. We continue to innovate and adapt in our work to ensure the best results for our clients and beneficiaries: this year, in 70% of cases, our consultants were able to go beyond established methods or take innovative approaches, while in 100% of projects, clients felt that we were able to adapt methods and outputs in response to new data, insights or priorities. All of our clients said they were likely to use our consultancy or research services again.

*“Excellent quality of work. Great insights. Well written.”
The EdTech Hub.*

*“Only Education Development Trust do research in this way... They are a good partner for doing research and giving best practice to others.”
Rwanda Basic Education Board.*

Beyond our consultancy work, in 2020/21, we published 11 research pieces and evaluations of our own programmes. Five of these share findings and best practice around recovering from the pandemic (such as assessing learning loss and supporting students to catch up), while others share insights into the role of evidence in the improvement of school systems, teacher management in refugee settings, and new evidence on effective school leadership.

FCDO continues to be a key partner and this year, we have produced research on issues including girls' education, climate change, budget cuts and lessons learned from Covid-19.

Our Learning Bridges Global Knowledge Report, which consolidated global best practices in education responses to the pandemic, was presented at three UNICEF-hosted workshops attended by over 40 UN agencies, donor groups and staff from every UNICEF Ministry of Education office in the Middle East and North Africa region.

Providing high-quality employability and careers information

Our employability and careers portfolio continues to grow, with three new programmes launching in the 2020/21 period.

New programmes to support employability

We launched the Making a Difference employability programme in the south of England in October 2020, which helped 231 economically inactive people into work in the reporting period, despite the pandemic context. 96% of programme participants reported being very satisfied and would recommend the programme to a friend. The programme has since been expanded to cover the north of England, with a view to helping thousands more economically inactive individuals to move into work. The team has also established an engaging and helpful online presence to help reach as many potential clients as possible, resulting in a 50% increase in self-referrals to the programme.

“Having [my advisor] to chat to was a real boost, she was really knowledgeable and very sympathetic to my situation. Our conversations allowed me a safe space to discuss how I felt and share my fears. Being on the Making a Difference programme has really helped me, and I would recommend it to other people.”

Participant, Making a Difference programme

Our North East Ambition programme also launched this year, to support small and medium-sized enterprises (SMEs) based in the North East of England, ensuring that local businesses are taking advantage of the opportunities available to them to develop and upskill their workforce. Since launching in April 2021, it has engaged 82 SMEs, 59% of which are micro-enterprises which stand to benefit the most from direct support.

We have also been selected to deliver a new employability programme in the South West of England, Reskilling Cornwall, to support those who have been affected by the economic impacts of the pandemic. All of our new contracts link directly to tackling economic inequality and helping communities bounce back from the effects of Covid-19.

Continued excellent service in our careers programming

The fantastic achievements of the employability and careers team have once again been recognised, this time through being granted the status of licenced awarding body for the Quality in Careers Standard across the UK. With this license, we are now one of just 12 providers able to award schools and colleges who have demonstrated that they have a robust programme of careers and employability education.

The pandemic context and requirements for social distancing meant that our careers programmes needed to adapt to new modes of delivery. This has led to a significant drop in customer numbers for the 2020/21 period for the National Careers Service and a number of our local partnerships (e.g. with Job Centres) being put on hold as we delivered services remotely. Nevertheless, we still reached 71,970 individuals with high-quality impartial careers information, advice and guidance that provided them with relevant information and clear steps to advance personal career planning and development, and we are continuing to reassess our strategic partnerships following the lifting of Covid-19 restrictions.

Despite the decline in customer numbers, we continue to generate excellent satisfaction rates among our customers. The National Careers Service (North) garnered a 99% customer satisfaction rate, and 98% would recommend the service to a friend.

Our Careers Clusters programme is being delivered to 23 schools and colleges in London and reached almost 1,800 young people and over 130 teachers in 2020/21. Though the pandemic context has made work placements for young people more challenging to procure, the Careers Clusters team have continued to engage employers through virtual placements where necessary – resulting in nearly 750 virtual placements. This service has a 100% satisfaction rate from beneficiaries, as well as strong endorsement from employers: 89% reported that the activities had successfully raised awareness among students of their specific industries.

Case study: helping young people back into education and training

One student we worked with through our tracking services contract in Hammersmith had been out of education and employment since completing Year 11 at school, and was suffering from poor mental health due to his situation and family circumstances. Our adviser regularly followed up with him, and noticed his interest in music, so connected him to a course being run by a local theatre, which he successfully applied for – and was subsequently offered a place at a specialist film college.

Meanwhile, we worked directly with 91 schools and colleges this year in our school-traded careers services – the largest reach to date – and 41 schools and colleges through our tracking services, the largest number of educational establishments ever reached by our employability and careers team. Student feedback has been very strong, with 98% rating the services as ‘good’ or excellent’, and 93% reporting that they have more clarity on the actions needed for them to achieve their career aspirations.

Finally, our Apprenticeship Support and Knowledge (ASK) programme for schools also reached almost 60,000 students (up from 44,530 last year), despite incredibly challenging and rapidly changing circumstances. This included a variety of innovative virtual apprenticeships. The programme also exceeded its targets for reaching parents (6,482 against a target of 5,250) and teachers (902 against a target of 750), and 93% of customers said they would recommend the service.

Putting our knowledge into practice: our independent schools

In addition to our varied and impactful work in the state school sector, detailed throughout this report, we put our knowledge of what makes excellent education into practice in our ownership and management of our independent schools – Danesfield Manor School, Oakfield Preparatory School and St Andrew's School in the UK and the International School of Cape Town in South Africa.

Our schools continue to demonstrate excellent achievements. This year, St Andrew's came 44th in the Sunday Times Parent Power Top 100 Independent Prep Schools list, based on its Key Stage 2 SATs results. At Oakfield, 98% of Reception pupils achieved a 'Good' level of development in the Early Years Profile, while Year 6 pupils received a total of 87 offers and 17 scholarships in their 11+ assessments for independent and state secondary schools. Outside of statistical performance, the schools continue to demonstrate a range of other factors which make them stand out – from excellent pastoral care and inspirational teaching to facilities designed to nurture pupils and their interests. Oakfield, for example, has furthered the development of art and STEM subjects among its pupils with newly refurbished specialist teaching rooms, while pupils at Danesfield have benefitted from access to its Forest School site to help look after their mental wellbeing.

The impacts of UK national lockdowns and school closures were inevitably felt by our schools, but all rose to the challenges of remote delivery. 90% of parents at St Andrew's, 92% of parents at Danesfield and 96% of parents at Oakfield felt positively about the remote teaching their children received. On reopening, Danesfield was visited by the National Health Service, who produced a report on how well the school managed Covid-19-related safety measures, stating it is: 'very well maintained to an exceptional high standard throughout. They have gone above and beyond in their protocols, procedures and risk assessments – the detail in all the planning is absolutely incredible.'

Furthering our impact: events and engagement

Throughout 2020/21, we worked hard to extend the reach of our work, sharing our research, insights and commentary with our partners, a wide range of like-minded organisations, whose readers and members have therefore had much greater exposure to our work. This has helped our ideas to go further and have greater influence upon decision-makers. It has also been a step-change year in engagement via events. Whilst in 2019/20, we took part in a number of conferences with high volumes of guests, the effects of Covid-19 taking us to purely virtual events have allowed us to more directly engage with policymakers, donors, and others in the global education community in 2020/21. Not only has this enabled us to reach a wider audience geographically, but we have also reached over 670 participants directly – an increase in direct engagements despite the lack of physical conferences.

We have also achieved greater coverage in the press, particularly in the UK, with commentary published on careers, employability, early years provision and school-to-school collaboration. We have increased our social media audience by 17%, reaching 1,400 more followers on Twitter and 13,000 more on LinkedIn than in 2019/20. We have also increased visits to our website by 48%, with 146,500 visits, compared to 98,800 in the previous year.

We have been proud to collaborate with a range of organisations, including INEE, UKFIET, BETT, the Education Commission, IIEP-UNESCO, the EdTech Hub, the British Council, the Institute of Development Studies and the Global Schools Forum, helping to reach more individuals with our knowledge and expertise. We have leveraged these partnerships in a variety of ways, creating multiple engagement points to raise the profile of our work: from events and webinars, to blogs, commentaries and published research.

We have presented our work at several high-profile conferences and events in the global education sphere, including the UNESCO World Teachers' Day event 2020 and the RISE conference. What is more – we organised and hosted a side event for the Global Education Summit, 'High-impact domestic financing: evidence, equity, efficiency', in partnership with the British Council and FCDO.

Our own Global Dialogue event in February 2021 brought together leading experts from across the world to consider key promising practices for a post-pandemic renewal of learning. Panellists included the Ministers of Education for Rwanda, Kenya and Ethiopia, as well as senior representatives from the EdTech Hub, Dubai Cares, FCDO, the World Bank, USAID, the Varkey Foundation, the Global Partnership for Education, UNESCO and the Luminos Fund. More than 90 organisations were represented in the audience.

Our commitment to inclusion and diversity

Inclusion is now a key value for our organisation, and we are keenly aware of the importance of inclusion and diversity in all the work that we do. We believe that our programmes and interventions are the most powerful, though not the only, tool that we have to make a difference to the lives of those in disadvantaged groups.

This year, the BLF programme in Rwanda has continued to make steps towards greater inclusion by equipping teachers and parents to carry out – and hold schools accountable for – inclusive practices. By the end of March, 481 teachers had been trained to become Inclusion Education Focal Teachers (IEFTs), equipped to support children with special needs after school reopening. We are now in discussions with the World Bank on the wider rollout of this initiative.

Inclusion features heavily in many of our other programmes. In Ethiopia, inclusion is a key pillar of our TARGET programme, and our school leader training specifically highlights issues of inclusion and diversity. Meanwhile, our employability and careers team organised employer activities in UK SEND schools, and CLC's TechPathways programme developed an Unconscious Bias Toolkit. This was designed to enable teachers to identify and challenge unconscious bias and help reduce the barriers preventing underrepresented groups from pursuing careers in the digital sector, and embedded in all CLC's events and courses.

Within our organisation, our Inclusion and Diversity Taskforce, formed in 2020, launched a three-year Inclusion and Diversity Strategy, with the full backing of the leadership team and Board of Trustees. The strategy was informed by analysis of diversity data and a dedicated inclusion and diversity survey for all staff. It focuses on four strategic themes: voice and inclusivity, recruitment and promotion, global teams, and positive influencing of clients and programmes. Progress has already been made against its ambitious targets and all staff have undertaken compulsory unconscious bias training. We have also added 'inclusion' as an organisational value to ensure its prominence in our corporate strategy.

Looking after our people: staff morale and wellbeing

None of the work that we do around the world would be possible without the hard work and commitment of our staff – and supporting them remains a key priority for us. Steps taken during the pandemic to support our employees' wellbeing – including provision of wellbeing-focused guidance for staff and line managers, the development of wellbeing and mental health resources on our Learning Hub, signposting to key providers of support and advice and regular wellbeing bulletin emails – received a unanimously positive response.

Our staff survey, conducted in March 2021, showed that 85% of respondents felt 'very satisfied' or 'satisfied' with Education Development Trust as a place to work, giving the organisation an

overall satisfaction score of +82 – a two-point improvement on December 2020 and a 17-point improvement on August 2019.

Regular employee ‘pulse’ surveys have also provided insights into our people’s perception of Education Development Trust as a place to work. The latest survey, conducted in the summer of 2021, showed improvements in scores for safeguarding, colleagues’ commitment to equality, inclusion and diversity, pay, whether staff feel comfortable offering their opinions, and critically – whether our people enjoy their jobs. This is highly encouraging, but staff wellbeing remains a strategic priority for the organisation, forming a key part of our corporate strategy for 2021-24.

Looking Ahead

“We can be very proud of everything we have achieved in 2020/21 – not least the ways in which we have reached over a million more learners than last year. This excellent achievement – along with the many others detailed in this report – provides us with an ever-stronger foundation to make even more impact in the future.

In the years to come, and as the world recovers from the ongoing impact of the pandemic, we will continue to raise standards across education systems, improve school performance and so transform lives through our work. We will also continue to invest in our public research portfolio – a key part of our charitable purpose – which has an essential role to play in furthering the global evidence base to help solve critical issues in education. As we say in our corporate strategy for the next three years, we will take the best of what we have learned in these uncertain times, and apply it in our ways of working, our programmes, our consultancy and our research, so that we can continue to build more resilient, effective and equitable education systems around the world. I have no doubt that our brilliant, dedicated teams, and those who will join us in the coming year, will be equal to this important task.

As we move forward towards these goals, the importance of collaboration cannot be overstated. We remain deeply committed to our learning partnerships with governments, research organisations, delivery partners and others to further our respective learning and the impact that this can have on learners and educators around the world.

We look forward to another year in which we can make a real difference to the lives of people around the world, as we continue to work towards our vision of a world in which all lives are transformed by education.”

Patrick Brazier, Chief Executive

2.5 SAFEGUARDING

Safeguarding remains a central priority at Education Development Trust. It is our legal and moral duty to ensure the protection of all those who come into contact with us through the course of our work. Our robust safeguarding policies encompass our work worldwide and we are committed to ensuring that all our beneficiaries receive the same level of protection and care by our vigilant and dedicated people.

Throughout 2020/21, we carried out a cycle of online training for all business areas reinforcing the eLearning that was developed and implemented in 2019/20. The training enabled an increasingly vigilant approach to safeguarding throughout the organisation demonstrated by prompt reporting of concerns and positive feedback by staff that they felt safe and confident about how to raise concerns.

The Global Safeguarding Community of Practice met bi-monthly, enabling all designated safeguarding leads and programme safeguarding officers across the organisation to share

knowledge and best practice. The forum is also an opportunity for participants to reflect on the training they receive from the organisation and contribute to policy reviews, ensuring that the safeguarding policies are effective in practice and appropriately adapted for the different contexts we operate in.

Each business area has implemented a continuous improvement plan and undertaken activities to strengthen safeguarding in their respective business areas and contexts ensuring compliance with the Global Safeguarding Policy and reporting procedures. Safeguarding provisions have been strengthened and embedded in associated policies to ensure that a consistent approach is applied to maintaining the safety of staff and beneficiaries.

All reportable serious incidents during this period were promptly reported to regulatory and statutory authorities and managed in line with our safeguarding policy and procedures. They were all brought to a satisfactory conclusion with the support and endorsement of statutory agencies involved.

Safeguarding has been aligned with both the inclusion and diversity and staff wellbeing strategies, establishing a unified approach to these interrelated issues.

2.6 STAKEHOLDER ENGAGEMENT

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

One of the key decisions taken by the Board of Trustees during the year that demonstrates how we understand and engage with stakeholders and consider the external impact of our activities was the development and approval of the 2021-24 Strategy. The Board was consulted by the Executive on the development of the strategy throughout the year, leading up to final approval in September 2021. Through all stages of the process, trustees held meaningful discussions about the likely consequences of the strategy in the long term and the impact on stakeholders. The trustees considered the impact on staff in key decisions, especially safeguarding, protecting jobs and staff engagement and wellbeing. Trustees see our regular staff survey results, including quantitative and qualitative findings, and these have been used to inform their assessment of the strategy in terms of staff wellbeing.

This year, the Executive commissioned, at the request of trustees, a further feedback loop from clients, partners and suppliers, which resulted in the first global reputation survey being undertaken. Trustees have deliberated the findings and recommendations and are using these to inform their feedback on our strategy and implementation plans.

In the review of our organisational vision, purpose and values, we sought to develop statements that would be inspiring and interesting to potential clients, partners and staff, and aligned to our charitable objects and public benefit status. The market strategy, which formed the basis of the strategy, considered the views and interests of a range of funders and clients across our geographical markets. In developing the independent schools' strategy, trustees considered the impact on staff and parents / carers with children at our schools. In developing the inclusion and diversity strategy, trustees heard direct feedback from staff through the Inclusion and Diversity Taskforce and considered the impact of the strategy on staff, effective performance and our place within society. In the development of our propositions, trustees had regard to the wider agenda, including the UN Sustainable Development Goals and the UN Global Compact, and the need to foster relationships with key funders and programme participants.

2.7 FINANCIAL OVERVIEW

Education Development Trust is an international organisation with approximately 1,100 staff worldwide, income of £67m, net assets of £30m and group reserves of £16m.

Our income is generated by winning education-related contracts from governments and public or private bodies. Our business model is built on the principle of full cost recovery: any activity must recover all its attributable cost. This enables us to be financially sustainable and generate sufficient funds to invest in our sustainability through research and development, innovation and business development, brand building, enabling infrastructure – and in particular our public research.

The year-on-year decrease in income of £4.6m was due to the ongoing impact of Covid-19. Lockdowns in the UK affected our national careers service and teacher professional development programmes. Internationally, inspections in the Middle East continued to be cancelled or postponed and we experienced implementation delays in Sub-Saharan Africa due to travel restrictions and school closures. We did not achieve our income or net income targets for the year, but the impact of the income shortfall on net income and reserves was largely mitigated resulting in positive net income before investment, pension and exchange gains and losses, and a year-on-year increase in Charity and Group reserves.

The Group results for the period show net income before investment, pension and exchange gains and losses of £18,000 (2019/20: £1.0m net expenditure). Total income is £67 million, a decrease of £4.6 million from 2019/20. After gains on investments of £1.4m (2019/20: £0.2m losses), actuarial gains on defined benefit pension schemes of £0.9m (2019/20: £0.3m losses) and exchange losses on conversion of subsidiaries of £0.1m (2019/20: £1.2m), and after eliminating the net surplus attributable to minority interests of £0.1 million (2019/20: net deficit eliminated £0.1m) the net increase in funds for the year is £2.1 million (2019/20: £2.6m decrease).

The total assets less current liabilities of the Group amount to £30.8 million (2019/20: £30.1m). The net assets of the Group are £29.6 million (2019/20: £27.6m). For the Charity, net assets of £21.8 million are reported (2019/20: £19.2m). After accounting for actuarial gains, the defined benefit pension scheme accounting balance is an asset of £0.7 million (2019/20: liability of £0.1 million).

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

2.8 RESERVES POLICY

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

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

As a charity whose expenditure is driven by contractual delivery requirements, the level of reserves we are able to hold is dependent on our ability to generate a net surplus from our trading activities. In the long run we regulate the level of reserves and remain sustainable by optimising those

surpluses and investing amounts not planned to cover minimum working capital and risk requirements in strategic development and / or charitable activities.

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

We have monitored solvency using a range of scenarios to stress test cash and reserves up to the date of signing the report. On the basis of this testing and the evident strength of the balance sheet, while an amount of uncertainty exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern.

On 31 August 2021 free reserves were £9.6 million for the Charity (2019/20: £8.0m) and £16.3 million for the Group (2019/20: £15.4m). These amounts compare with budget figures set at the beginning of the financial year of £8.8m and £16.1m respectively. They are in line with our dynamic financial planning, and so were at a level that is adequate to meet continuously evolving requirements. The increase in Charity reserves during the year was driven by dividends from subsidiaries and investment gains.

2.9 INVESTMENT POLICY AND RETURNS

Our investment policy is to align with our reserves policy by balancing the portfolio between capital maintenance with low- to medium-risk returns over the medium term. We manage investment risk by pooling financial investments in two tiers. Tier 1 aims to represent the general funds minimum reserves requirement and is held in cash and cash equivalents. Tier 2 aims to represent the balance of financial resources in general and restricted funds and is held in balanced investment funds.

The Board of Trustees has wide investment powers and has delegated responsibility for the management of the portfolio, within the agreed risk profile, to selected investment managers. Our policy has an ethical component under which, while having regard to the requirements of charity law to maximise returns, we seek to avoid investing in activities contradictory to our objectives. Trustees periodically review implementation of the policy in consultation with the investment managers. The financial performance component of return on investment is measured against benchmark weighted indices. Historic performance against benchmarks is shown in the following table.

Investment manager	1 Year		3 Years		5 Years	
	Actual	Benchmark	Actual	Benchmark	Actual	Benchmark
Newton (to 31/08/21)	23.2%	19.5%	10.3%	7.7%	10.2%	8.2%
HSBC (to 31/08/21)	15.1%	18.3%	5.0%	7.0%	5.7%	7.2%

2.10 ENERGY AND CARBON REPORTING

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

Energy Use and Carbon Emissions Disclosure

Primary Statement for 2020/21

	2020/21 Emissions (tCO ₂ e)	2019/20 Emissions (tCO ₂ e)	% Change
Electricity	98.56	98.05	1%
Gas	143.69	148.36	-3%
Transport Fuels	6.98	74.83	-91%
Gross Annual Total	249.23	321.24	-22%
Intensity Metric (Headcount)	662	636	4%
Total tCO₂e/head	0.38	0.51	-25%
Qualifying Green Tariffs	78.77	9.24	752%
Net Annual Total	170.45	312.01	-45%

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

GHG Emissions	2020/21 Emissions (tCO ₂ e)	2019/20 Emissions (tCO ₂ e)	% Change
Scope 1*	144.69	149.78	-3%
Scope 2 (location based)	98.56	98.05	1%
Scope 2 (market based)	19.79	88.82	-78%
Scope 3	5.98	73.41	-92%
Total (location based)	249.23	321.24	-22%
Total (market based)	170.46	312.01	-45%

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

This is the second year of GHG reporting and is aligned with the 2020/21 financial year. The first year's report in 2019/20 forms the baseline year. The baseline year was formed during the Covid-19 pandemic and as such comparisons to this and future years may be skewed. We may re-baseline once operations are less volatile.

We have not developed any carbon targets for the current reporting period. However, over the past 12 months development of a carbon reduction plan to achieve carbon net-zero by 2050 has been underway. The intensity metric chosen is employee numbers (taken as a monthly average). This was chosen as the most suitable metric as the organisation has both schools and offices within the UK.

We have no qualifying carbon offsets during this financial period. Within the UK, all directly sourced electricity that the organisation procures is from REGO backed or 100% Carbon offset (Kyoto Protocol). This has reduced gross emissions from the consumption of purchased electricity via a qualifying green electricity tariff by 80%, equating to a carbon saving of 78.8 tonnes of CO₂e for this financial year.

Energy Efficiency Narrative

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

- Established a monthly data reporting process for fuel consumption within the UK and SSA.
- Continued to work with the energy provider on the roll-out of smart meters within the UK.
- Established hybrid working for UK office-based employees.
- Continued with the roll out of LED lighting at Oakfield Preparatory School

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

2.11 FUNDRAISING

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

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

2.12 PRINCIPAL RISKS

The top corporate risks facing the Group, and associated measures for managing those, are:

Risk identified	Further managing actions
Building capacity to match success in business growth	Continued focus on staff wellbeing alongside retention and recruitment
Adapting Employability and Careers work to post-Covid world	Continuous re-engineering of delivery model
Major safeguarding incident	Continuous focus on safeguarding monitoring and enhancement
IT security breach	Continue to develop and implement the IT Security and Disaster Recovery Action Plans
Evolving threats from Covid-19	Continuous monitoring and agile response

2.13 FINANCIAL RISKS

The following sets out the risk management principles applied to certain types of financial risks.

Liquidity

The Group retains sufficient cash funds to meet the day-to-day needs of the organisation and invests its remaining reserves in longer-term investments to maximise returns. The Group's financing objective is to locate funds that are surplus to operational requirements in the Trust (the parent entity). Subsidiaries provide regular financing plans and proposals for repatriation of surplus funds for approval by the Trust.

Financial market

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

Credit

The Group is mainly exposed to credit risk from credit sales. A significant amount of income is derived from major institutional, government and donor funding agencies and so the associated

credit risk is modest. However, where it works for private sector clients it assesses the credit risk of new customers and factors the information from these credit ratings into future dealings with the customers. At the balance sheet date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Foreign exchange

Due to the international nature of its activities, the Group's reported reserves, net assets and gearing are all affected by foreign exchange movements. By default, currency exposures are minimised by denominating transactions in GBP and / or denominating cash in- and out-flows in the same currency. Net exposures are identified, and appropriate management approaches are put in place on a case-by-case basis. The Group does not currently have any currency derivative instruments in place.

Procurement

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

2.14 OPERATIONAL PLAN 2021/22

As we enter into a new 3-year strategic period (2021-24), our ambition is to be world-leading in the design and delivery of high-impact, large-scale educational change programmes, transforming even more lives through the power of education and careers advice and guidance – delivering more and delivering better. Covid-19 continues to cause considerable uncertainty and disruption across our programmes. To meet this challenge, we will be agile in our planning, and focused in our prioritisation.

Over the 3 years, we will work with education ministries to make education systems better, support school leaders to enhance school performance at scale, work with individuals to improve their career prospects, and contribute to the body of global evidence and insight into what works in education – and how, as a global community, we can reduce inequities in education around the world. Internally, as we emerge from the pandemic, we will take the best of what we have learnt from the crisis, and feature more adaptive working, closer collaboration with clients, geographically agnostic team-working, and more focus on our wellbeing.

In 2021/22, the first year of our strategy, we aim to be a more inclusive employer and have a more diverse workforce. Maintaining high levels of staff morale remains critical, particularly during this forthcoming period as we emerge from the pandemic – staff engagement and retention in times of growth in a highly competitive market will be a priority. We seek to consolidate the growth of our UK education contracts, using an agile approach to allocation of support and resourcing to mobilise new contracts and rapidly scale up delivery. We will strengthen our use of technology, increasing our capacity, setting out a technology roadmap to add maximum value, and establishing principles, process and ultimately a culture of good technology management. We aim to diversify our income by building a resilient, balanced portfolio of clients and income streams, with funders of high potential value representing an increasing share of revenue – Girls Education and Evidence into Policy & Practice will represent an increasing proportion of income and capability growth.

3 STRUCTURE, GOVERNANCE AND MANAGEMENT

3.1 STRUCTURE

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

In Brunei, CfBT Education Services (B) Sdn Bhd, a majority-owned subsidiary, is engaged in the supplying of education system reform services and English language teachers to the Sultanate's public school system. The principal activities of the EDT Middle East Educational Consultancy LLC, registered in Abu Dhabi, are to provide educational consultancy and support for schools. During 2020/21, active trading subsidiary companies operated in the UK, India, Malaysia and South Africa. During the year, the subsidiary companies in India were divested from the Group, and two subsidiaries were dissolved: CfBT Education Services (Malaysia) Sdn Bhd and Monkton House Kings College (Cardiff) Educational Trust Limited. Since year end we have entered into an arrangement to sell our shares in Waverley School (Waverley Way) Limited over a period of 2 years.

3.2 GOVERNANCE

Education Development Trust was incorporated on 31 December 1965 and received charitable status on 20 February 1976. The Charity is governed by its Articles of Association, last amended in May 2021.

Board structure

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

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

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

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

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

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

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

Appointment and role of trustees

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

Trustee indemnity insurance

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

Charity Governance Code

The Charity continues to review and apply the principles of the Charity Governance Code. The Board undertook a self-evaluation process in June 2021 which was structured around the principles of the Code. The results are feeding into an updated Board development plan to enhance the work already underway to strengthen the following priority areas:

- Enhancing the strategic focus of trustees and their understanding of the Charity and its context, through a tailored induction, training and engagement programme (virtual and face to face). This includes trustee participation in online staff and stakeholder events, and field visits. (Principle 5: Board effectiveness).
- Improving Board diversity through: recruitment; oversight of the Inclusion and Diversity (I&D) strategy including the adoption of Inclusion as a new fifth organisational value; and incorporating I&D into the remit of the People, Culture and Remuneration Committee. (Principle 6: Equality, diversity and inclusion).
- Mapping the Charity's stakeholder network and developing a stakeholder stewardship programme, to include periodical reviews of external stakeholder views and feedback through formal surveys and informal events with trustees. (Principle 7: Openness and accountability).

UN Global Compact

We support the ten principles of the UN Global Compact with respect to human rights, labour, environment and anti-corruption. Through our Letter of Commitment and recently submitted Communication on Engagement, we have pledged to participate in and engage with the UN Global Compact by ensuring that its principles form part of our strategy, culture and day-to-day operations. Our Letter of Commitment and Communication on Engagement are both available on unglobalcompact.org.

3.3 RESPONSIBILITIES OF THE BOARD OF TRUSTEES

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

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

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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

The Board of Trustees is also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

3.4 MANAGEMENT

During the period, the activity of the Charity was organised in three operational areas:

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

also manages the Alexandria Schools Trust restricted fund.

- Research and Consultancy: This activity incorporates our consultancy business and our research.
- Independent Schools: This area includes our four independent (private) schools: three in the UK and one in South Africa. Since year end we transferred one of the UK schools, Danesfield Manor, to another proprietor and entered into an arrangement to sell our shares in Waverley School (Waverley Way) Limited over a period of 2 years.

3.5 STAFF

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

We are committed to providing equality of opportunity for all and have developed a clear and compelling vision for inclusion and diversity which is a strategic priority with clear deliverables and accountabilities. Following the rollout of an all-employee inclusion and diversity survey, the information was used to inform the development of our inclusion and diversity strategy which was launched in April 2021. The Inclusion and Diversity Taskforce has been developing a portfolio of initiatives with the organisation, including building stronger diversity data globally, creating a more inclusive recruitment process and planning the rollout of Special Interest Groups across the organisation.

We have become a Disability Confident Committed employer which reinforces our full commitment to undertaking activities that make a real difference to people with disabilities. This includes giving full and fair consideration to applications for employment made by people with disabilities in line with our inclusion and diversity strategy, having regard to their aptitudes and abilities; continuing the employment of, and arranging training for employees who have become disabled while employed; and focusing on the training, career development and promotion of people with disabilities.

We deploy a wide range of methods to engage and communicate with employees globally on both a small and large scale, maximising our online capability. This has become even more important during the global pandemic when staff feedback has been sought via regular employee engagement 'pulse' surveys. In the last pulse survey of the year, we received an overall satisfaction score of +76% (82% positive less 6% negative). Whilst we have continued to see above-average levels of engagement from staff globally, wellbeing continues to be a key strategic priority and investment in this area will continue into 2021/22.

3.6 RISK MANAGEMENT AND INTERNAL CONTROL

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

Risk management

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

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

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

Internal control

The Audit and Finance Committee provides independent oversight of the effectiveness of the systems of internal control and is responsible for reviewing and approving the annual internal audit programme, reviewing the key findings of the internal audit reports as well as monitoring the implementation of accepted recommendations. The committee also meets at least twice a year with the external auditors, both with and without management, to discuss the annual statutory audit and any internal control weaknesses identified in the management letter.

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

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

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

The Trustees' Annual Report and Strategic Report was approved by the Board of Trustees on 24 March 2022 and signed on its behalf by:



Ilse Howling
Chair
24 March 2022

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

4.1 CHARITY DETAILS

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

4.2 TRUSTEES

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

Ilse Howling – Chair; Chair of Nominations Committee; People, Culture and Remuneration Committee

Tanya Barron – Audit and Finance Committee; People, Culture and Remuneration Committee

Christine Gilbert – Chair of Corporate Safeguarding Committee; Education Impact Committee; People, Culture and Remuneration Committee

Julia Grant – Audit and Finance Committee

Nimal Hemelge – from January 2022

Yetunde Hofmann – until December 2020

Robert Humphreys – Chair of Audit and Finance Committee

Joy Hutcheon – Chair of People, Culture and Remuneration Committee; Audit and Finance Committee; Nominations Committee

Angela McFarlane – Chair of Education Impact Committee

Jonathan Simons – Education Impact Committee

Muchemi Wambugu – from January 2022

4.3 MEMBERS

Currently Education Development Trust has 34 members. The members take an active role in our work and share their educational experience and expertise for the benefit of the Trust. The membership appoints the trustees and is responsible for reviewing the work of the Trust, principally at the Annual General Meeting.

4.4 PRESIDENT AND VICE PRESIDENT

Throughout the period, Sir Jim Rose and Sara Hodson acted as President and Vice President respectively. Both were appointed on 30 April 2015 and re-appointed on 21 May 2020 for a second term of five years.

4.5 EXECUTIVE

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

Patrick Brazier (Chief Executive)

Tony McAleavy (Education Director)

Cheryl McGeachie (Marketing and Public Affairs Director)

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

Anna Searle (Education Services Director)

4.6 BANKERS AND PROFESSIONAL ADVISERS

Bankers	Lloyds Bank Plc 24 Broad Street Reading RG1 2BT	Auditor	BDO LLP 2 City Place Beehive Ring Road Gatwick, West Sussex RH6 0PA
Investment Managers	Newton Investment Management Limited 160 Queen Victoria Street London EC4V 4LA		HSBC Private Bank (UK) Limited 8 Cork Street London W1S 3LJ
Legal Advisers	Clarkslegal LLP 5th Floor, Thames Tower Station Road Reading RG1 1LX		Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF
	Coupe Bradbury Solicitors Bath Street Chambers 7 Bath Street Lytham FY8 5ES		
Legal Advisers (International)	Eversheds Sutherland One Wood Street London EC2V 7WS		

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

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 August 2021 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Education Development Trust ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 August 2021 which comprise the consolidated statement of financial activities, the statement of financial activities – charity only, the consolidated and charity balance sheets, the consolidated cashflow statement 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).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and Parent 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.

Conclusions related 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 Group and the Parent 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises: The Chair's Report

and The Trustees' Report (incorporating the Strategic 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 course of 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 rise to 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.

Other Companies Act 2006 reporting

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

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

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

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

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

Responsibilities of Trustees

As explained more fully in the Responsibilities of the Board of 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit was capable of detecting irregularities, including fraud

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:

As part of the audit we gained an understanding of the legal and regulatory framework applicable to the Group and the sector in which it operates, and considered the risk of acts by the Group that were contrary to applicable laws and regulations, including fraud. We considered the Group's own assessment of the risks that irregularities may occur either as a result of fraud or error, the Group's compliance with laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006, Charities Act 2011 and other laws and regulations applicable to the group such as employment law, taxation legislation, data protection, health and safety legislation. We considered financial performance, key performance indicators and other performance targets. We also considered the risks of non-compliance with requirements imposed by the Charity Commission, and other regulators, and we considered the extent to which non-compliance might have a material effect on the group financial statements.

We also communicated relevant identified laws and regulations, potential fraud risks and that there were no known matters of significant non-compliance with laws and regulations, to all engagement team members including internal specialists audit teams, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

As a result of these procedures we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: Contract and tuition fee income revenue recognition, supplier payments and overseas expenditure.

Our tests included:

- agreeing the financial statement disclosures complied with applicable legislation
- enquiries of the Audit and Finance Committee and Senior Management Team, review of minutes of meetings of those charged with governance
- reviewing correspondence with HMRC
- audit testing a sample of overseas expenditure and UK expenditure, ensuring these have been made in accordance respective authority limits, agreements and internal control procedures
- challenging assumptions made by management in their significant accounting estimates in particular in relation to defined benefit pension scheme actuarial assumptions and provisions for bad debts

- enquiries of third parties, where information from that third party has been used by the Group in the preparation of the financial statements
- reviewing Serious Incident Reports submitted to the Charity Commission, other correspondence with the Charity Commission and performed an assessment of any Whistleblowing matters
- vouching balances and reconciling items in key control account reconciliations to supporting documentation as at 31 August 2021; and
- performing audit procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

As in all of our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluations, whether there was evidence of bias in accounting estimates by management or the Board that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

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

DocuSigned by:

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James Aston MBE (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick, UK
Date: 28 March 2022

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

6 CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 August 2021

	Notes	General Fund £'000	Restricted Funds £'000	Year to 31 August 2021 Total £'000	Year to 31 August 2020 Total £'000
INCOME					
<u>Income from investments</u>	1d				
Dividends receivable		78	124	202	235
Rental income		328	-	328	376
Interest income		41	-	41	72
<u>Income from charitable activities</u>	1d				
Education Services		53,396	165	53,561	57,176
Research and Consultancy		2,706	-	2,706	3,079
Independent Schools		9,720	-	9,720	10,220
Total income	2a	66,269	289	66,558	71,158
EXPENDITURE					
<u>Expenditure on raising funds</u>	1e				
Investment manager's fees		13	21	34	35
Other costs		327	-	327	375
<u>Expenditure on charitable activities</u>	1e				
Education Services		52,947	135	53,082	56,243
Research and Consultancy		2,445	140	2,585	3,333
Independent Schools		10,512	-	10,512	12,124
Total expenditure	5	66,244	296	66,540	72,110
Total income less total expenditure		25	(7)	18	(952)
Net gain / (loss) on investments	8	536	849	1,385	(152)
Net income / (expenditure)	2b	561	842	1,403	(1,104)
Other recognised gains and losses					
Actuarial gain / (loss) on defined benefit pension schemes	14	909	-	909	(340)
Exchange loss on conversion of subsidiaries		(109)	-	(109)	(1,177)
Total recognised gains / (losses) for current period		800	-	800	(1,517)
Net movement in funds before minority interest		1,361	842	2,203	(2,621)
(Less) / Add: Minority interest		(133)	-	(133)	57
Net movement in funds after minority interest		1,228	842	2,070	(2,564)
Balance brought forward at 1 September 2020		19,325	5,325	24,650	27,214
Balance carried forward at 31 August 2021		20,553	6,167	26,720	24,650

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

The notes on pages 41 to 63 form an integral part of these financial statements.

STATEMENT OF FINANCIAL ACTIVITIES – CHARITY ONLY
For the year ended 31 August 2021

	Notes	General Fund £'000	Restricted Funds £'000	Year to 31 August 2021 Total £'000	Year to 31 August 2020 Total £'000
INCOME					
<u>Income from investments</u>	1d				
Dividends receivable		756	124	880	3,707
Rental income		326	-	326	374
Interest income		7	-	7	31
<u>Income from charitable activities</u>	1d				
Education Services		38,732	165	38,897	38,980
Research and Consultancy		2,707	-	2,707	3,083
Independent Schools		7,708	-	7,708	8,325
Total income		50,236	289	50,525	54,500
EXPENDITURE					
<u>Expenditure on raising funds</u>	1e				
Investment manager's fees		13	21	34	35
Other costs		327	-	327	375
<u>Expenditure on charitable activities</u>	1e				
Education Services		38,376	135	38,511	38,524
Research and Consultancy		2,527	140	2,667	3,443
Independent Schools		8,636	-	8,636	10,328
Total expenditure		49,879	296	50,175	52,705
Total income less total expenditure		357	(7)	350	1,795
Net gain / (loss) on investments	8	536	849	1,385	(152)
Net income		893	842	1,735	1,643
Other recognised gains and losses					
Actuarial gain / (loss) on defined benefit pension schemes	14	909	-	909	(340)
Total recognised gains / (losses)		909	-	909	(340)
Net movement in funds		1,802	842	2,644	1,303
Balance brought forward at 1 September 2020		13,876	5,322	19,198	17,895
Balance carried forward at 31 August 2021		15,678	6,164	21,842	19,198

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

The notes on pages 41 to 63 form an integral part of these financial statements.

BALANCE SHEETS
As at 31 August 2021

		-----GROUP-----		-----CHARITY-----	
	Notes	As at 31/08/21 £'000	As at 31/08/20 £'000	As at 31/08/21 £'000	As at 31/08/20 £'000
FIXED ASSETS					
Tangible assets	1f, 7	6,480	6,975	5,191	5,765
Investments	1h, 8	9,979	8,627	9,979	8,627
Investments in Group undertakings	9	-	-	203	203
Total fixed assets		16,459	15,602	15,373	14,595
CURRENT ASSETS					
Debtors: Amounts falling due within one year	10	15,053	11,274	10,872	8,644
Cash at bank and in hand		24,532	20,146	18,844	12,096
		39,585	31,420	29,716	20,740
CURRENT LIABILITIES					
Creditors: Amounts falling due within one year	11	(25,280)	(16,959)	(22,146)	(13,698)
Net current assets		14,305	14,461	7,570	7,042
Total assets less current liabilities		30,764	30,063	22,943	21,637
Creditors: Amounts falling due after more than one year	11	(750)	(1,250)	(750)	(1,250)
Provision for liabilities and charges	13	(1,080)	(1,129)	(1,062)	(1,110)
Defined benefit pension schemes	14	711	(79)	711	(79)
NET ASSETS		29,645	27,605	21,842	19,198
CHARITABLE FUNDS					
General fund (excluding defined benefit pension schemes)		19,842	19,404	14,967	13,955
Restricted funds	12	6,167	5,325	6,164	5,322
SUB TOTAL FUNDS (excluding pension liabilities)		26,009	24,729	21,131	19,277
Defined benefit pension asset / (liability)	14	711	(79)	711	(79)
TOTAL FUNDS (excluding minority interest)		26,720	24,650	21,842	19,198
Minority interests		2,925	2,955	-	-
TOTAL FUNDS		29,645	27,605	21,842	19,198

The notes on pages 41 to 63 form an integral part of these financial statements.

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



Ilse Howling
Chair
Dated: 24 March 2022

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 August 2021

	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
<u>Cash flows from operating activities</u>		
Net income / (expenditure) for the year	1,403	(1,104)
Adjustments for:		
Depreciation on tangible fixed assets	1,797	2,197
Profit on sale of tangible fixed assets	(3)	(26)
(Increase) / decrease in debtors	(3,779)	7,567
Increase / (decrease) in creditors	7,821	(1,255)
(Decrease) / increase in provisions	(49)	296
Less dividends receivable	(202)	(235)
Less interest receivable	(41)	(72)
Post-retirement benefits adjustment	119	19
Dividends paid to minority interest	(163)	(2,414)
(Gain) / loss on investments	(1,385)	152
Exchange (gain) / loss on fixed assets	(144)	258
Exchange loss on conversion of cash	67	63
Exchange loss on conversion of opening reserves of foreign subsidiaries	(109)	(1,177)
Net cash generated from operating activities	5,332	4,269
<u>Cash flows from investing activities</u>		
Interest received	41	72
Dividends received from investments	202	235
Purchase of tangible fixed assets	(1,161)	(709)
Sale of tangible fixed assets	6	26
Purchase of fixed asset investments	(2,818)	(3,087)
Sale of fixed asset investments	2,903	4,777
Net cash (used in) / generated from investing activities	(827)	1,314
Net increase in cash and cash equivalents in the year	4,505	5,583
Cash and cash equivalents at the beginning of the year	20,140	14,620
Change in cash and cash equivalents due to exchange rate movements	(67)	(63)
Total cash and cash equivalents at the end of the year	24,578	20,140
<u>Cash and cash equivalents:</u>		
Cash at bank and in hand	24,532	20,146
Cash at / (due to) investments managers – money market deposits	46	(6)
Total cash and cash equivalents	24,578	20,140

The notes on pages 41 to 63 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

1. PRINCIPAL ACCOUNTING POLICIES

a. Basis of accounting and consolidation

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

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

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

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

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

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

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

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

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

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

b. Going Concern

Covid-19 has continued to impact our financial performance, but with limited impact on cash and reserves. We have monitored solvency using a range of scenarios to stress test cash and reserves up to the date of signing the report. On the basis of this testing and the evident strength of the balance sheet, while an amount of uncertainty exists, this does not pose a material uncertainty that would cast doubt on the Charity's ability to continue as a going concern. The trustees therefore consider it appropriate for the accounts to be prepared on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021**1. PRINCIPAL ACCOUNTING POLICIES (continued)****c. Critical accounting judgements and estimations**

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

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

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

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

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

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

d. Income

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

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

1. PRINCIPAL ACCOUNTING POLICIES (continued)

e. Expenditure

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

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

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

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

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

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

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

f. Tangible fixed assets

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021**1. PRINCIPAL ACCOUNTING POLICIES (continued)****g. Impairment of fixed assets**

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

h. Investments

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

i. Financial instruments

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021**1. PRINCIPAL ACCOUNTING POLICIES (continued)****j. Pension scheme arrangements****(i) Defined contribution scheme**

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

(ii) Defined benefit scheme

The Charity contributed to defined benefit pension schemes.

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

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

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

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

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

k. Holiday pay accrual

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

l. Operating leases

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021**1. PRINCIPAL ACCOUNTING POLICIES (continued)****m. Foreign currency translation****(i) Functional and presentation currency**

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

(ii) Transactions and balances

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

(iii) Translation of group entities

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

n. Restricted funds

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

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

2. SEGMENTAL ANALYSIS

(a) Group income relating to operating activities	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
An analysis of Group turnover by geographical segment is given below:		
United Kingdom	28,574	30,092
South Asia and South East Asia	15,574	16,140
Middle East	759	4,125
Africa	21,527	20,462
Europe and other	124	339
	66,558	71,158

Within United Kingdom, income of £0.2m (2019/20: £1.0m) relates to the Coronavirus Job Retention Scheme.

Within Africa, income of £4.7m (2019/20: £5.0m) relates to the FCDO Girls' Education Challenge contract.

(b) Net income / (expenditure)

	£'000	£'000
An analysis of the net surplus / (deficit) by geographical segment is given below:		
United Kingdom	(1,863)	(4,564)
South Asia and South East Asia	1,596	1,787
Middle East	(233)	360
Africa	1,837	1,181
Europe and other	66	132
	1,403	(1,104)

3. STAFF AND TEACHER COSTS

	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
Wages and salaries	33,037	32,847
Redundancy and termination payments	270	543
Social security costs	1,700	1,691
Pensions	1,454	1,536
Temporary staff	200	153
	36,661	36,770

Redundancy and termination payments were incurred as part of the ongoing evolution of the business and were accounted for in full in the year that the departure was agreed. The amount payable at 31 August 2021 was £49,311 (2020: £160,375) and is included within Creditors.

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021
3. STAFF AND TEACHER COSTS (continued)

Staff members whose total annual remuneration was in the ranges:	Year to 31 August 2021 No. of Staff	Year to 31 August 2020 No. of Staff
£60,000 – £69,999	22	16
£70,000 – £79,999	14	23
£80,000 – £89,999	4	4
£90,000 – £99,999	4	4
£110,000 – £119,999	3	2
£130,000 – £139,999	2	2
£140,000 – £149,999	2	2
£150,000 – £159,999	2	2
£160,000 – £169,999	-	1
£170,000 – £179,999	3	1
£180,000 – £189,999	-	1
£190,000 – £199,999	-	1
£240,000 – £249,999	-	1
	56	60

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

The Chief Executive had total annual remuneration in the £170,000 – £179,999 range (2019/20: £180,000-£189,999 range).

Total employer pension contributions for the provision of money purchase schemes totalled £219,119 (2019/20: £229,162) for those staff whose total remuneration was more than £60,000.

	Year to 31 August 2021 No. of Staff	Year to 31 August 2020 No. of Staff
The number of staff whose remuneration was more than £60,000 to whom retirement benefits are accruing under:		
- money purchase schemes	37	41
- defined benefit schemes	2	3
The average monthly number of persons employed by the Group during the period was:	1,096	1,082

Key management personnel

The total employment benefits of the key management personnel was £775,463 (2019/20: £787,093) and total employer pension contributions for four people was £58,529 (2019/20: £51,507 for five people).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021
4. NET INCOME / EXPENDITURE
is stated after charging / (crediting)

	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
Auditors' remuneration:		
Group audit (Charity 2020/21: £50,000, 2019/20: £48,000)	55	53
Other	2	1
Audits of international subsidiaries	18	18
Depreciation (note 7)	1,797	2,197
Remuneration of the Board of Trustees (note 6)	120	123
Exchange differences	(15)	4
Governance costs	133	137
Operating lease rentals: Property	1,265	1,268
Profit on sale of tangible fixed assets	(3)	(26)

5. ANALYSIS OF TOTAL EXPENDITURE – GROUP

	Direct Staff Costs	Support Staff Costs	Materials Production and Training Delivery	Premises	Other Project Expenditure (including depreciation)	Other Support Expenditure	Year to 31 August 2021	Year to 31 August 2020
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Expenditure on charitable activities								
Education Services	25,339	3,102	3,583	722	18,665	1,671	53,082	56,243
Research and Consultancy	1,338	157	137	8	861	84	2,585	3,333
Independent Schools	6,162	563	42	1,495	1,947	303	10,512	12,124
	32,839	3,822	3,762	2,225	21,473	2,058	66,179	71,700
Investment manager's fees	-	-	-	-	-	34	34	35
Other costs	-	-	-	-	-	327	327	375
Total expenditure	32,839	3,822	3,762	2,225	21,473	2,419	66,540	72,110

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021
6. TRANSACTIONS WITH TRUSTEES AND CONNECTED PARTIES

			Year to 31 August 2021	Year to 31 August 2020
(a) Trustees' remuneration and transactions				
Recipient		Nature	£	£
I Howling		Remuneration	25,000	25,000
R Humphreys		Remuneration	15,500	15,500
C Gilbert		Remuneration	15,500	11,774
A McFarlane		Remuneration	15,500	15,500
J Hutcheon		Remuneration	13,667	10,000
J Grant		Remuneration	10,000	10,000
Y Hofmann	to 31 December 2020	Remuneration	5,167	15,500
T Barron		Remuneration	10,000	10,000
J Simons	from 19 September 2019	Remuneration	10,000	10,000
			120,334	123,274

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

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

		Year to		Year to
		31 August 2021	31 August 2020	
		£	£	
(b) Expenses reimbursed to, and paid on behalf of, the Board of Trustees				
		Number of Board Members		
		2020/21	2019/20	
Nature of expense				
Travel expenses	2	6	871	585
Subsistence / meals / hospitality	9	9	192	1,477
Hotels / accommodation	-	6	-	1,905
Other expenses	-	9	-	593
			1,063	4,560

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

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

	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
CfBT Education Services (B) Sdn Bhd	1,020	1,061
EDT Middle East Educational Consultancy LLC	39	311
International School of Cape Town (Pty) Ltd	8	10

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021
6. TRANSACTIONS WITH TRUSTEES AND CONNECTED PARTIES (continued)

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

	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
CfBT Education Services (B) Sdn Bhd	729	742
EDT Middle East Educational Consultancy LLC	(101)	(27)
International School of Cape Town (Pty) Ltd	898	797
League for the Exchange of Commonwealth Teachers	(4)	(7)
Waverley School (Waverley Way) Ltd	89	85

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

The Charity has a 20% shareholding in CfBT Education Services and Partners LLC, a company which provides support for educators in Oman. As the Charity does not have significant influence it is treated as a fixed asset investment. The balance outstanding from CfBT Education Services and Partners LLC of £1,395,000 at 31 August 2021 (2020: £1,394,000) is included within Trade Debtors.

(ii) Other connected parties

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

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

	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
Recovery of Anthem Schools Trust staff salary costs and expenses paid by Education Development Trust on behalf of Anthem Schools Trust	1	564
Charge for Education Development Trust services supporting Anthem Schools Trust	27	28
Services provided to Anthem Schools Trust Schools within normal Education Development Trust business	7	2
Services received from Anthem Schools Trust Schools as part of normal Education Development Trust business	4	18
Donation made by Education Development Trust to Anthem Schools Trust	-	27

Anthem Schools Trust owed £3 to Education Development Trust as at 31 August 2021 (2020: £56,053).

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021
7. TANGIBLE FIXED ASSETS

	Freehold Property £'000	Long term Leasehold Property £'000	Leasehold Improvement £'000	Motor Vehicles £'000	Office Fixtures £'000	IT Systems & Computers £'000	Assets Under Construction £'000	Total £'000
Group								
Cost								
As at 1 September 2020	3,158	1,196	6,052	409	1,801	4,696	-	17,312
Additions	56	-	213	22	108	459	303	1,161
Disposals	-	-	(51)	(33)	(91)	(24)	-	(199)
Exchange adjustment	136	-	23	1	18	26	-	204
As at 31 August 2021	3,350	1,196	6,237	399	1,836	5,157	303	18,478
Depreciation								
As at 1 September 2020	926	906	3,723	351	1,315	3,116	-	10,337
Charge for year	257	40	441	45	218	796	-	1,797
Eliminated on disposal	-	-	(51)	(32)	(90)	(23)	-	(196)
Exchange adjustment	13	-	10	-	16	21	-	60
As at 31 August 2021	1,196	946	4,123	364	1,459	3,910	-	11,998
Net book value at 31 August 2021	2,154	250	2,114	35	377	1,247	303	6,480
Net book value at 31 August 2020	2,232	290	2,329	58	486	1,580	-	6,975
		Freehold Property £'000	Leasehold Improvement £'000	Motor Vehicles £'000	Office Fixtures £'000	IT Systems & Computers £'000	Assets Under Construction £'000	Total £'000
Charity								
Cost								
As at 1 September 2020		2,349	5,786	103	1,405	4,347	-	13,990
Additions		-	210	22	100	435	303	1,070
Disposals		-	-	-	(10)	-	-	(10)
Exchange adjustment		-	(1)	(3)	-	(1)	-	(5)
As at 31 August 2021		2,349	5,995	122	1,495	4,781	303	15,045
Depreciation								
As at 1 September 2020		758	3,571	93	956	2,847	-	8,225
Charge for year		257	434	7	201	744	-	1,643
Eliminated on disposal		-	-	-	(10)	-	-	(10)
Exchange adjustment		-	(1)	(1)	(1)	(1)	-	(4)
As at 31 August 2021		1,015	4,004	99	1,146	3,590	-	9,854
Net book value at 31 August 2021		1,334	1,991	23	349	1,191	303	5,191
Net book value at 31 August 2020		1,591	2,215	10	449	1,500	-	5,765

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021

8. FIXED ASSET INVESTMENTS
Portfolio structure

	-----Group and Charity-----			
	-----31 August 2021-----		-----31 August 2020-----	
	%	£'000	%	£'000
Fixed income	12.7%	1,272	14.3%	1,230
Equities	31.2%	3,109	28.0%	2,418
Multi Asset Funds	51.1%	5,099	49.7%	4,290
Other	4.5%	453	8.1%	695
Cash held by / (due to) investment managers	0.5%	46	(0.1)%	(6)
Market value as at 31 August	100%	9,979	100%	8,627

Movement in market value of investments	2020/21	2019/20
	£'000	£'000
Opening market value as at 1 September	8,627	10,564
Additions	2,818	3,087
Disposals	(2,903)	(4,777)
Unrealised gains / (losses)	1,169	(330)
Realised gains	216	178
Increase / (decrease) in cash	52	(95)
Closing market value as at 31 August	9,979	8,627

Historical cost of investment portfolio

	-----Group and Charity-----	
	2021	2020
	£'000	£'000
Costs as at 31 August	7,047	6,858

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2021

9. INVESTMENTS IN SUBSIDIARIES

The Charity holds investments in principal undertakings as follows:

	Country of Registration	Company / Charity No	% Holding of Issued Share Capital	Turnover £'000	Expenditure £'000	Net Assets/ (Liabilities) £'000
Education Services						
CfBT Education Services (B) Sdn Bhd	Brunei	n/a	55%	15,459	14,848	5,743
CfBT Multimedia Education Sdn Bhd	Malaysia	482193-M	100%	-	(20)	9
EDT Middle East Educational Consultancy LLC	Abu Dhabi	n/a	49%	277	691	1,704
League for the Exchange of Commonwealth Teachers	Great Britain	4294081 / 1089920	100%	-	-	3
Independent Schools						
International School of Cape Town (Pty) Ltd	South Africa	2002/026764/07 / n/a	100%	2,028	1,836	772
Waverley School (Waverley Way) Ltd	Great Britain	3181579 / n/a	100%	-	43	158

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

On 27th October 2020, a UK subsidiary of the Charity, Monkton House Kings College (Cardiff) Educational Trust Limited, was dissolved.

On 19th November 2020, the Charity disposed of two subsidiaries based in India, CfBT Education Services and CfBT Education Resource Management Private Ltd.

On 21st July 2021, a subsidiary of the Charity based in Malaysia, CfBT Education Services (Malaysia) Sdn Bhd, was dissolved.

On 18 February 2022, Education Development Trust entered into an arrangement to sell its shares in Waverley School (Waverley Way) Limited over a period of 2 years.

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

INVESTMENTS DURING THE YEAR

CHARITY	Subsidiary Investment Total £'000
Cost as at 1 September 2020 and 31 August 2021	203

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021
10. DEBTORS

	Group		Charity	
	As at 31/08/21 £'000	As at 31/08/20 £'000	As at 31/08/21 £'000	As at 31/08/20 £'000
Amounts falling due within one year				
Trade debtors	7,546	4,964	4,941	3,464
Amounts owed by Group undertakings	-	-	1,716	1,624
Other debtors	2,313	2,133	593	864
Prepayments	688	773	511	605
Accrued income	4,506	3,404	3,111	2,087
	15,053	11,274	10,872	8,644

11. CREDITORS

	Group		Charity	
	As at 31/08/21 £'000	As at 31/08/20 £'000	As at 31/08/21 £'000	As at 31/08/20 £'000
Amounts falling due within one year				
Trade creditors	3,306	2,336	3,245	2,300
Amounts owed to Group undertakings	-	-	161	91
Monies held on behalf of third parties	743	738	743	737
Taxation and social security	695	713	463	476
Other creditors	9,159	2,718	7,368	858
Accruals	3,851	3,280	3,097	2,611
Deferred income	7,526	7,174	7,069	6,625
	25,280	16,959	22,146	13,698
Amounts falling due after more than one year				
Deferred income	750	1,250	750	1,250
	750	1,250	750	1,250

	Group		Charity	
	As at 31/08/21 £'000	As at 31/08/20 £'000	As at 31/08/21 £'000	As at 31/08/20 £'000
Movement in deferred income				
Opening balance at 1 September	8,424	8,092	7,875	7,643
Utilised in the year	(7,074)	(6,753)	(6,525)	(6,304)
Income deferred in the year	6,926	7,085	6,469	6,536
Closing balance at 31 August	8,276	8,424	7,819	7,875

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021
12. RESTRICTED FUNDS

	League for the Exchange of Commonwealth Teachers £'000	Restricted Grants £'000	Alexandria Schools Trust £'000	Total Restricted Funds £'000
Balance at 31 August 2019	6	-	5,433	5,439
Income	-	-	150	150
Expenditure	(3)	-	(164)	(167)
Net losses on investments	-	-	(97)	(97)
Balance at 31 August 2020	3	-	5,322	5,325
Income	-	165	124	289
Expenditure	-	(135)	(161)	(296)
Net gains on investments	-	-	849	849
Balance at 31 August 2021	3	30	6,134	6,167

Restricted Fund Balance Sheet as at 31 August 2021

Investments	-	-	6,140	6,140
Current Assets	3	30	-	33
Current Liabilities	-	-	(6)	(6)
Net Assets as at 31 August 2021	3	30	6,134	6,167

Restricted Fund Balance Sheet as at 31 August 2020

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

The charitable objectives of the League for the Exchange of Commonwealth Teachers are narrower than those of Education Development Trust.

Restricted grants are used for specific purposes as stipulated by the donor.

The assets of Alexandria Schools Trust were transferred to Education Development Trust on 1 April 2014. As part of the transfer agreement the former trustees of Alexandria Schools Trust placed restrictions on the use of the funds and therefore the fund is still treated as restricted in the Charity.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021
13. PROVISION FOR LIABILITIES AND CHARGES
GROUP

	Dilapidations	Tax	Other	Pension deficit reduction payments	Total
	£'000	£'000	£'000	£'000	£'000
As at 1 September 2020	1,006	16	28	79	1,129
Utilised during the year	(31)	-	-	(17)	(48)
Charge / (release) for the year	9	-	(10)	-	(1)
As at 31 August 2021	984	16	18	62	1,080

CHARITY

As at 1 September 2020	1,006	16	9	79	1,110
Utilised during the year	(31)	-	-	(17)	(48)
Charge / (release) for the year	9	-	(9)	-	-
As at 31 August 2021	984	16	-	62	1,062

Provisions due in over one year

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

	Dilapidations	Tax	Other	Pension deficit reduction payments	Total
	£'000	£'000	£'000	£'000	£'000
Due after one year	964	-	-	44	1,008

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

The provision for pension deficit reduction payments relates to membership of the Pension Trust's Growth Plan. The £62,000 provision as at 31 August 2021 (2020: £79,000) shown above represents the present value of contributions payable by Education Development Trust that result from the terms of the deficit recovery plan.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021**14. PENSIONS**

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

a. Defined contribution schemes

The assets of these schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the fund and amounted to £1,003,961 (2019/20: £809,665). Contributions totalling £171,700 (2019/20: £176,021) were payable to the fund at the year end and are included in creditors.

The Group also contributed to the Teachers' Pension Scheme which is an unfunded, statutory, final salary scheme until August 2020. Under this scheme benefits are paid out of monies provided by Parliament and teachers' and employers' contributions are credited to the Exchequer. The pension cost charge represents contributions payable by the Group to the fund and amounted to £nil (2019/20: £270,389). Contributions totalling £nil (2019/20: £31,500) were payable to the fund at the year end and are included in creditors.

The Group also participates in the Pension Trust's Growth Plan. This is a funded, multi-employer scheme with defined benefit characteristics. As it is not possible to identify on a consistent basis the share of underlying assets and liabilities belonging to an individual employer, this scheme is treated as a defined contribution scheme. Contributions payable in the year, amounted to £16,969 (2019/20: £16,474). The results of the Growth Plan scheme valuation as at 30 September 2017 showed a deficit of £131.5m. A recovery plan has been established which aims to eliminate the funding deficit over a period of 5 years and 10 months from April 2019. The additional employer contributions required from Education Development Trust as part of this recovery plan are £0.02m per annum. In line with the requirements of the SORP and FRS 102, the present value of contributions payable under the terms of this recovery plan must be recognised as a liability and this is detailed at note 13 to the consolidated financial statements.

b. Defined benefit scheme

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

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

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

Derivation of figures

The figures disclosed below have been derived by approximate methods from the latest full actuarial valuation of the funds. Each actuarial valuation was carried out by a qualified actuary independent of the plan's sponsoring employer. The latest actuarial valuations were carried out as at 31 March 2019 for the LGPS, as at 1 April 2018 for the Educational Exchanges Pension Scheme and as at 31 December 2020 for the Prudential Platinum scheme. The Federated Pension Plan was established on 1 October 2018 and an initial actuarial valuation was carried out as at this date.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021
14. PENSIONS (continued)
Derivation of figures (continued)

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

	2020/21	2019/20
Assumptions		
RPI	3.20%-3.50%	2.80%-3.25%
CPI	2.20%-3.10%	2.00%-2.70%
Salary increases per annum	2.70%-3.95%	2.50%-3.40%
Pensions increases per annum	2.20%-3.30%	2.00%-3.10%
Discount rate per annum	1.60%-1.70%	1.45%-1.80%

Mortality assumptions

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

	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
Composition of assets and liabilities		
Equities	6,035	5,364
Gilts	2,272	2,180
Other bonds / property	1,954	1,662
Cash / other	3,129	2,961
Plan assets at fair value	13,390	12,167
Present value of funded liabilities	(12,679)	(12,246)
Net asset / (liability)	711	(79)

	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
Reconciliation of the present value of liabilities		
Opening present value of liabilities	12,246	11,165
Current service cost	236	296
Interest cost	188	197
Contributions by participants	33	35
Net benefits paid out	(312)	(312)
Actuarial losses	288	865
Closing present value of liabilities	12,679	12,246

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021
14. PENSIONS (continued)

	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
<u>Reconciliation of the fair value of assets</u>		
Opening fair value of assets	12,167	11,445
Interest income	185	202
Re-measurement gains:		
Return on scheme assets excluding interest income	1,197	619
Other actuarial losses	-	(94)
Contributions by employer	194	327
Contributions by participants	33	35
Net benefits paid out	(312)	(312)
Administration expenses	(74)	(55)
Closing fair value of assets	13,390	12,167

Amounts recognised in the balance sheet

Fair value of plan assets	13,390	12,167
Present value of plan liabilities	(12,679)	(12,246)
Net asset / (liability)	711	(79)

Return on assets

Actual return on assets	1,382	821

Amount recognised in the SOFA

Current service cost	236	296
Administration expenses	74	55
Net interest expense / (income)	3	(5)
Expense recognised	313	346

Analysis of actuarial gain / (loss) recognised within the SOFA gains and losses category

	Year to 31 August 2021 £'000	Year to 31 August 2020 £'000
Actual return less interest income included in net interest income	1,197	619
Other actuarial losses on assets	-	(94)
Changes in assumptions underlying the present value of scheme liabilities	(288)	(865)
Total actuarial gains / (losses)	909	(340)

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021
15. OPERATING LEASE COMMITMENTS

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

	At 31 August 2021 £'000	At 31 August 2020 £'000
Land and buildings		
Group		
Within one year	2,491	2,546
Within two to five years	3,330	3,637
After five years	7,696	8,341
	13,517	14,524
Charity		
Within one year	825	898
Within two to five years	2,726	2,856
After five years	7,696	8,341
	11,247	12,095

The land and building lease commitment figure for both the Charity and the Group includes a total of £2.5m (2019/20: £2.9m) relating to properties which are sub-let to another organisation.

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

	At 31 August 2021 £'000	At 31 August 2020 £'000
Land and buildings		
Group and Charity		
Within one year	386	386
Within two to five years	1,592	1,578
After five years	568	969
	2,546	2,933

16. CONTINGENT LIABILITIES

	At 31 August 2021 £'000	At 31 August 2020 £'000
Guarantees		
CfBT Education Services (B) Sdn Bhd	480	1,070
EDT Middle East Educational Consultancy LLC	-	247
	480	1,317

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

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021
17. PRIOR YEAR COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	-----GROUP-----			-----CHARITY-----		
	General Fund £'000	Restricted Funds £'000	Total 2019/20 £'000	General Fund £'000	Restricted Funds £'000	Total 2019/20 £'000
INCOME						
<u>Income from investments</u>						
Dividends receivable	85	150	235	3,557	150	3,707
Rental income	376	-	376	374	-	374
Interest income	72	-	72	31	-	31
<u>Income from charitable activities</u>						
Education Services	57,176	-	57,176	38,980	-	38,980
Research and Consultancy	3,079	-	3,079	3,083	-	3,083
Independent Schools	10,220	-	10,220	8,325	-	8,325
Total income	71,008	150	71,158	54,350	150	54,500
EXPENDITURE						
<u>Expenditure on raising funds</u>						
Investment managers' fees	6	29	35	6	29	35
Other costs	375	-	375	375	-	375
<u>Expenditure on charitable activities</u>						
Education Services	56,240	3	56,243	38,524	-	38,524
Research and Consultancy	3,198	135	3,333	3,308	135	3,443
Independent Schools	12,124	-	12,124	10,328	-	10,328
Total expenditure	71,943	167	72,110	52,541	164	52,705
Total income less total expenditure	(935)	(17)	(952)	1,809	(14)	1,795
Net losses on investments	(55)	(97)	(152)	(55)	(97)	(152)
Net (expenditure) / income	(990)	(114)	(1,104)	1,754	(111)	1,643
<u>Other recognised gains and losses</u>						
Actuarial loss on defined benefit pension schemes	(340)	-	(340)	(340)	-	(340)
Exchange loss on conversion of subsidiaries	(1,177)	-	(1,177)	-	-	-
Total recognised losses for period	(1,517)	-	(1,517)	(340)	-	(340)
Net movement in funds before minority interest	(2,507)	(114)	(2,621)	1,414	(111)	1,303
Add: minority interest	57	-	57	-	-	-
Net movement in funds after minority interest	(2,450)	(114)	(2,564)	1,414	(111)	1,303
Balance brought forward at 1 Sept 2019	21,775	5,439	27,214	12,462	5,433	17,895
Balance carried forward at 31 Aug 2020	19,325	5,325	24,650	13,876	5,322	19,198

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2021**18. NON-ADJUSTING POST BALANCE SHEET EVENTS**

On 1 December 2021, Education Development Trust transferred Danesfield Manor School to a new proprietor, for a nominal price.

On 18 February 2022, Education Development Trust entered into an arrangement to sell its shares in Waverley School (Waverley Way) Limited over a period of 2 years for a price of £1.75m.