

**COMPANY REGISTRATION NUMBER      03622447**

**CHARITY NUMBER                      1081739**

**ST GILES EDUCATIONAL TRUST**

**FINANCIAL STATEMENTS AND ANNUAL REPORT OF THE  
TRUSTEES**

**31 DECEMBER 2019**

# **ST GILES EDUCATIONAL TRUST**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2019**

---

<b>CONTENTS</b>	<b>PAGE</b>
Reference and administrative details	- 1 -
Annual Report of the Trustees	- 2 -
Independent examiner's report	- 18 -
Statement of financial activities (incorporating the income and expenditure accounts)	- 20 -
Balance sheet	- 21 -
Notes to the financial statements	- 22 -

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

---

### REFERENCE AND ADMINISTRATIVE DETAILS

<b>Registered charity name</b>	St Giles Educational Trust
<b>Charity registration number</b>	1081739
<b>Company registered number</b>	03622447
<b>Principal office</b>	51 Shepherds Hill London N6 5QP
<b>Registered office</b>	51 Shepherds Hill London N6 5QP
<b>Trustees</b>	Mr C A Parsons Mr S P Whaley Ms J D Smith (resigned 27 January 2020) Mr S M Parkin
<b>Company Secretary</b>	Ms D Mullen
<b>Bankers</b>	National Westminster PO Box 158 214 High Holborn London WC1V 7BX

# **ST GILES EDUCATIONAL TRUST**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2019**

---

### **ANNUAL REPORT OF THE TRUSTEES**

The trustees (who are also directors for the purposes of company law) are pleased to present their report and the financial statements of the charitable company for the year ended 31 December 2019.

#### **1. STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **1.1 Governing document**

The St Giles Educational Trust (SGET) is a charitable company limited by guarantee which was incorporated on 26 August 1998 (registered no. 03622447) and registered as a charity on 27 July 2000 (charity no. 1081739).

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and it is governed in accordance with its Articles of Association. In the event that the company is closed, the amount which the directors would be required to contribute would not exceed £10.

##### **1.2 Recruitment and appointment of directors**

The directors of the company are also charity trustees for the purposes of charity law: Under the Articles of the company they are responsible for the management of the business of the Trust. Under the requirements of the Memorandum and Articles of Association, one third of the directors who are subject to retirement by rotation shall retire at the Annual General Meeting and offer themselves for re-election. There are no directors who are not trustees and no trustees who are not directors. The directors (who are also trustees) are appointed under the terms of the Articles of Association.

The following directors have held office since 1 January 2019:

Mr C A Parsons  
Mr S P Whaley  
Ms J D Smith  
Mr S M Parkin

Ms J D Smith resigned on 27 January 2020

##### **1.3 Director induction and training**

When the Trust appoints new directors, it seeks to recruit people with significant experience of adult education relating to the teaching of English to speakers of other languages, or other experience which is relevant to the Trust's activities.

The (executive) Director meets with new directors on more than one occasion prior to their appointment to brief them fully on the activities of the Trust. Potential new directors are also invited to attend at least one meeting of the trustees/directors as a guest before making a

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2019

---

final decision about committing to this role. Supplementary induction may be arranged when this is necessary.

#### 1.4 Organisational structure

The board of directors is responsible for the strategic direction and policy of the Trust and for the furtherance of the objects for which it is established. The board meet on a regular basis (at least quarterly) to discuss the affairs of the Trust.

The (executive) Director has responsibility for the day to day operational management of the Trust and for management of the staff employed by or undertaking duties on behalf of the Trust, as well as for ensuring that these members of staff continue to develop their skills and good working practice.

#### 1.5 Risk management

The board has considered the major risks to which the Trust is exposed (especially those related to the operations and finances of the Trust) and is satisfied that systems are in place to mitigate exposure to these risks. A risk register has been established: this is reviewed and updated as required and at least annually. Internal control risks are minimised by the implementation of procedures for authorisation at different levels for expenditure and financial commitments. Procedures are in place to ensure compliance with health and safety regulations by staff, secondees and freelancers undertaking work for the Trust. Due to the fact that the SGET's international work has continued to expand, the trustees requested that a Safeguarding Code of Conduct should be created: this is signed by everybody who goes overseas on Trust business. The final version of the Code of Conduct was agreed by the trustees in August 2019.

## 2. OBJECTIVES AND ACTIVITIES

Though its charitable objectives will not change, the trustees and the (executive) Director of the Trust review its aims and objectives on at least an annual basis. In planning future activities, reference is always made to the information contained within the Charity Commission's general guidance on public benefit. The Trust's mission statement which conveys its overall purpose is, *'to build, nurture and deploy world-class ELT teacher development in order to improve people's life chances through communication'*.

The main activity of the SGET continues to be the provision of initial training and continuing professional development (CPD) opportunities for teachers of English from the UK and overseas.

The Trust continues to strive to promote excellence in English language teaching and teacher training and the trustees are particularly proud of the way in which during recent years, it has been able to develop its work with a growing number of teachers in other parts of the world.

# **ST GILES EDUCATIONAL TRUST**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2019**

---

### **2.1 Teacher Training in the UK**

The Trust is committed to maximising the way in which English language and communication skills enable people to improve their opportunities in a socio-economic context. Helping to ensure the availability of well-trained professional English language teachers is a key element of the Trust's work and of its contribution to public benefit. In the UK, the Trust runs the following initial teacher training course for both first language and non-first language English speakers:

- The Cambridge Certificate in Teaching English to Speakers of Other Languages (CELTA)

The Trust continues to operate as a Delta examination centre for external candidates through St Giles Brighton.

The high standards of the Trust's UK teacher training operation crucially underpin its work with teachers in other countries.

### **2.2. International Projects**

The Trust continues to expand and develop its portfolio of international projects: these are designed and implemented in partnership with other charities, government agencies and NGOs working overseas. St Giles teacher trainers are seconded to deliver programmes in other countries where a need for this provision has been identified and where local teachers find it difficult to access professional development via other routes. The Trust's partner organisations have local knowledge and resources which help to ensure the effectiveness of the projects. All of them make a financial contribution of some kind, e.g. they meet the costs of accommodation and subsistence for the St Giles teacher trainers.

Fees are usually charged for the services provided. In view of the fact that the SGET's income from student residences has decreased during recent years, it needs to cover a higher percentage of the costs incurred by its activities. This is especially the case when the assignments undertaken are for the British Council or government agencies. When the projects which are run in partnership with smaller charities, the Trust tries to make some investment. Any surplus made on the Trust's projects is fully reinvested in the SGET's charitable activities.

The UK teacher training programme and the expertise of the teacher training team (who are also practising teachers) crucially underpins the Trust's overseas projects.

### **2.3 Scholarships**

A small number of scholarships are provided by the Trust to overseas teachers who would not be able to afford to participate in courses in the UK. In most cases, these are linked to the Trust's international projects order to increase the impact of the training. No scholarships were awarded during 2019.

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

---

### 2.4 Seminars for Teachers

The Trust runs the ***‘Teachers’ Tuesday Club’***, a programme of professional development seminars for teachers and other English language training (ELT) professionals. The sessions focus on both practical topics and wider issues relating to the role of English language within the global economy.

### 2.5 Other activities

The Trust also provides accommodation for trainee teachers and students at its college residence in Central London.

On occasions, it undertakes or contributes to practical **research** aimed at raising standards in the teaching of English to speakers of other languages.

## 3. ACHIEVEMENTS AND PERFORMANCE

During 2019, the Trust was active in all the areas detailed above except for scholarships.

### 3.1 UK Teacher training

In 2019 the SGET ran a total of 14 CELTA courses for a total of 107 trainees. The pass rate for completers of the courses was 100%. The Trust is concerned about the apparent fall in demand for the CELTA courses: it has committed to finding out the reasons for this and taking appropriate steps to address the situation during 2020. This will include exploring the possibility of different modes of delivery for the teacher training course portfolio as a whole.

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

---



**CELTA group, St Giles London Central**

In November 2019 the SGET met with the Head of TESOL qualifications at Trinity College London to explore the possibility of becoming a pilot centre for the delivery of a new in-service certificate for English language teachers, the Trinity CertPT (this is formally recognised to be at level 6 on the UK National Qualifications Framework). It was agreed that the Trust would be part of the pilot and would apply for centre validation to run courses leading to the new certificate during 2020. The Trust envisages that these courses will be relevant to both UK-based and overseas teachers.

### 3.2 International Projects

During 2019, the Trust delivered international activities in five countries as well as working running two courses in the UK as part of its international projects.

**CUBA** – The Trust continued the collaboration with the British Council in Cuba which had commenced in December 2017.

English language has always had a place within the Cuban curriculum. However, the continued growth of the country's tourist industry as well as Cuba's increasingly international focus during recent years has resulted in a greater emphasis on this within the government's education policy. For 21<sup>st</sup> century Cubans, English is a key life skill.

A number of pioneering educationalists have strived for many years to ensure high quality pedagogy and resources. There is now an even stronger focus on the way in which English is



# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2019

---

taught in Cuba and in which teachers are prepared to embark upon their careers. 2019 saw the launch of a new English language curriculum.

There are two Ministries of Education in Cuba: the Ministerio de Educación (MINED) and the Ministerio de Educación Superior (MES). Their responsibilities include the implementation of policy and the national curriculum, commissioning or undertaking research, student assessment, materials design and Didactics (Methodology in ELT). They are outward-looking in their approach and they regularly invite external contributions to conferences from organisations from all parts of the world. In broad terms within the sphere of ELT, the former is responsible for the teaching/learning of English in secondary schools and the latter at university level, as well as teacher training.

Undergraduate trainee teachers of English aiming to work in the secondary or tertiary sector currently undertake a five-year programme of university training during which time (in addition to their pedagogical studies) they need to develop their own level of English proficiency to at least B2 level (CEFR). Their undergraduate degree programme has a strong theoretical element and it also includes teaching practice and action research. After graduation, some teachers work in secondary schools whilst others remain at their university, helping to raise the level of English of future graduates and taking responsibility for some key areas of input on theory. Working alongside all of these undergraduate and newly qualified teachers are the university tutors who oversee their initial and continued training and development.

In 2017, the British Council Cuba met with the representatives from the two Ministries of Education to share information about new approaches and strategies within English language teaching. The Ministries were interested in finding out more about the approaches used in the UK and whether aspects of these might be adapted for use in the Cuban context. The St Giles Educational Trust worked with the British Council to design and deliver this professional development.

The initial objectives for a 'pilot' course were:

- To align the teaching of listening and speaking skills in Cuba with the *Common European Framework of Reference for Languages (CEFR)*
- To consider different approaches to teaching these skills
- To explore other elements of communicative teaching

The SGET collaborated with the key stakeholders and the British Council Cuba to design a pilot course for under-graduate trainee teachers of English studying at Universidad de Ciencias Pedagógicas in Havana. The course was firmly rooted in the Cuban context and it built upon the existing pedagogical knowledge base in Cuba. Based on the success of the pilot, the Ministries and the British Council (working with the St Giles Educational Trust) decided to expand the programme to other parts of Cuba: this became '**Classrooms in Action**'. The name of the project embodies its primary focus on practical teaching and training skills.

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

---

### Classrooms in Action

With additional financial support from the British Embassy during 2018 and 2019, the project has since grown to include different groups of participants across Cuba: these range from undergraduate teachers to university professors with up to forty years' experience in the field of English language and teacher education. However, the practical focus has very much remained at its heart.

In order to implement the project, MINED, MES and the British Council Cuba enlisted the support of key universities across the country:

- Havana: Universidad de Ciencias Pedagógicas (often referred to as Varona)
- Santa Clara: Universidad Central de Las Villas (UCLV)
- Santiago: Universidad de Oriente (UO)
- Manzanillo: Universidad de Granma (UG)



**Clockwise from top left: Santa Clara -Universidad Central de Las Villas (Mar 2018), Santiago - Universidad de Oriente (Oct 2018), Manzanillo - Universidad de Granma (Apr 2019), Havana - Universidad de Ciencias Pedagógicas (Dec 2019)**

The involvement of the universities has been crucial: they have convened the groups of participants who have been selected by the Ministries, provided logistical support for the SGET teacher trainers coming to Cuba and made practical arrangements to enable these trainers to observe actual lessons in either secondary schools or at universities. Along with the Ministries, they have also 'cascaded' the outcomes of the project via the conference events which are part of the Continuing Professional Development (CPD) infrastructure for teachers and teacher educators across Cuba. Each course was given a main focus in order to guide its design and to ensure that it would meet identified needs. Inevitably however, a

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2019

---

number of additional areas of focus emerged mid-course and so a degree of flexibility was needed throughout. The course participants of **Classrooms in Action** have included:

- *‘undergraduate trainee teachers’*
- *‘teacher’ - teachers of English, either in a school or a university context.*
- *‘university professors’ - the teacher trainers/teacher educators for former students of the university (who are either now working as teachers in schools or who remained working in a teaching role at the university*

All the courses have been observed either by representatives of MINED, MES, the British Council Cuba and/or senior management of the universities (sometimes up to four people at a time). This was important in order to ensure that the courses were meeting the stakeholders’ objectives and also for effective ‘cascading’.

During 2019, a total of 99 undergraduate trainee teachers, teachers and university teachers participated in SGET courses under Classrooms in Action in two Cuban cities: Havana and Manzanillo. This takes the total number of participants in the Classrooms in Action programme (2017- to date) to 347.

#### **Mentors in Action**

In early 2019, the stakeholders in Cuba selected a number of the strongest participants from the **Classrooms in Action** groups who they believed would benefit from a further training/CPD course in the UK. These candidates were mainly drawn from the ‘teacher’ groups. The rationale for the selection was that the young teachers had some concrete experience whilst at the same time this experience was still at a formative stage. Investing in and nurturing the future generation of teachers is a priority within Cuba’s ELT policy and peer mentoring is seen as an important vehicle for this.

In August 2019, in partnership with the British Council and with support from the British Embassy, the St Giles Educational Trust ran a two-week course for a group of 14 teachers from different Cuban provinces at St Giles International’s Brighton centre. This was given the name **‘Mentors in Action’**. The course built on the areas which had been covered during the earlier stages of the overall programme and it aimed to enable the participants to experience a different teaching and learning context. The young teachers then returned to Cuba to cascade the teaching methodology, skills and ideas to their peers and colleagues within their own and with other regions and provinces. The group was accompanied by members of MES, MINED and the British Council Cuba and a cultural and social programme was organised.

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

---



The mentors visiting London, August 2019

The members of this first group of mentors has certainly been 'in action' since they returned! With invaluable support from MINED and MES, they have run in-service training courses for trainee, newly qualified and experienced teachers and also teacher educators all over Cuba and they have spoken at a number of conferences. One of the most striking things about the 3-year programme as a whole up to this point has been the enthusiasm of the participants to share their experiences and to act as its ambassadors.



A mentor from the programme running a workshop for her peers in Cuba

The project is by no means at an end. Both **Classrooms in Action** and **Mentors in Action** have the support of the Ministries and further courses are planned which will help to spread ideas and new developments to more provinces in Cuba. The British Council Cuba and the St Giles Educational Trust will continue to work closely with MINED and MES but **Mentors in Action** is



# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2019

---

itself an important vehicle through which the programme can eventually be delivered autonomously within Cuba.

Projects such as these are very organic, both in terms of the way in which they are conceived and in the way in which they grow. The strong working relationship between all parties involved has been key to the success of **Classrooms** and **Mentors in Action** to date.

**RUSSIA** – The Trust continued its ongoing collaboration with the CLASS school in Rostov-on-Don in Russia. A new course for Centre Managers, Directors of Studies and teacher ‘developers’ which had been piloted during 2018 was successfully run for the second time. During 2020 the SGET will explore the possibility of running courses leading to the Trinity CertPT as an in-service professional development option for English language teachers, in collaboration with Russia partner organisations



**Course for Managers & Administrators, Rostov-on-Don, Russia**

**FRANCOPHONE WEST AFRICA:** In November 2018 the British Council and the UK Foreign and Commonwealth Office launched the ‘*English Connects*’ programme as part of the government’s Africa strategy: the aim of this ongoing initiative is to improve the teaching and learning of English in Francophone and Lusophone countries.

High rates of economic development and the increased presence of multinational companies in non-English speaking countries in Africa which operate mainly in English has spurred high demand for English language skills. Governments in Francophone and Lusophone Africa have become increasingly aware that English is the international language of communication, culture, diplomacy, commerce, media, academia and IT and that developing the English language skills of current and future workforce supports their development objectives. Extending the opportunities for professional and personal development which are available to young Africans will not only strengthen social and economic capital across the targeted countries but will also help increase the economic prosperity and quality of life of individual citizens.

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2019

---

In early December 2018, the SGET won two *English Connects* British Council contracts for the delivery of teacher training pilot projects which were to run from January to March 2019. One of these contracts was for a partnership project with the University of Manchester. Both projects focused on developing the skills of pedagogical advisors and 'educational leaders' (including English language inspectors). The initial target countries for *English Connects* were Senegal, Côte d'Ivoire and Mali.

The projects were underpinned by initial fieldwork: this involved teacher trainers from the SGET and the University of Manchester undertaking short placements in Dakar (Senegal) and Abidjan (Côte d'Ivoire) during which they met representatives of the Ministries of Education, the local education authorities/associations and the British Council and they carried out additional needs analysis of the target groups.

Five continuing professional development (CPD) programmes for an approximate total of 60 teachers/pedagogical advisors/school inspectors were subsequently delivered by the SGET: one in Senegal, one in Côte d'Ivoire, one in the UK (for a group from Côte d'Ivoire) and two in Ghana (for groups from Senegal and Mali). The participants were drawn from regional across the target countries. In the case of the 25 pedagogical advisors with whom the Trust worked in Senegal, the SGET subsequently provided support for the design of workshops which members of the group ran for teachers in their own respective regions and observed a representative sample.

The SGET participated in the evaluation of the programme (which was led by the University of Manchester) and in the action research which underpinned this as well as the external evaluation of the initiative as a whole which was commissioned by the British Council.

The pilot courses received positive feedback and were deemed appropriate for their needs by the participants. Evidence collected during the life of the programme suggested that working with senior educationalists (school inspectors and INSET trainers) had already had some impact on the English language learning of thousands of school children in Senegal through the cascading of the learning through In-service training sessions throughout the country. A similar effect was anticipated in Côte d'Ivoire and Mali (though the latter had a different starting point). The use of tools like WhatsApp were well received by the programme participants and activity on these platforms has continued beyond the end of the project.

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019



Session in progress with pedagogical advisors in Senegal

### Strategic direction for the SGET's international projects

During 2020, the following priorities will govern the SGET's international project work:

- Exploring and implementing different modes of learning to ensure that the Trust is able to reach the widest possible cohorts of participants with its teacher training programmes. This will include identifying low-tech solutions for use with countries and regions which do not have access to a robust internet connection
- Continuing to work proactively with the British Council, overseas governments, NGOs and educational institutions to add value to major strategic programmes. This will take precedence over any specific geographical targeting
- Developing and launching customised courses leading to the Trinity CertPT for both solo delivery in the UK and overseas and joint delivery with international partners

### 3.3 Seminars for Teachers

A total of 8 Teachers' Tuesday Club events were run during 2019: examples of the topics covered include, '*Teaching critical thinking more effectively*', '*Insights into the psychology of the language teacher and learner*', '*Developing speaking skills*' and '*Creative lessons for Cambridge exam students*'.

### 3.4 Other activities

The Trust continued to provide accommodation for teacher trainees and English language students throughout the year.

# **ST GILES EDUCATIONAL TRUST**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2019**

---

### **3.5 Implications of Covid-19**

The Covid-19 pandemic has had a significant impact on all the Trust's activities since March 2020 and hence its income from all sources has been reduced. The international lockdown and the economic effects of this has resulted in fewer international contract opportunities and a further fall in the number of applications for face-to-face CELTA courses. The greatest impact however has been from the temporary closure of the St Giles student residence of which the Trust is the tenant.

The (executive) Director and the Trustees have taken the steps to manage the multiple risks posed by Covid-19 and to safeguard the medium-term viability of the Trust: fixed costs have been reduced and most of the SGET's teacher training course portfolio has been adapted for online delivery. The Trust has negotiated with St Giles International (the landlord of the student residence) a financial settlement for the early surrender of the lease (i.e. the Trust's tenancy which was scheduled to finish at the end of 2023). Though this was a difficult decision for the trustees, the current level of risk due to the pandemic could not be sustained beyond the end of 2020.

## **4. FINANCIAL REVIEW**

### **4.1 Principal funding sources**

The main source of net income for the St Giles Educational Trust (SGET) until the end of 2019 has been the funds which are generated by its leasehold tenancy of St Giles student residence at the St Giles International London Central, 154 Southampton Row, London WC1B 5JX. This income is used to support the Trust's international projects and management overheads and to compensate for any deficit on UK teacher training. The net contribution from the St Giles residence decreased from £88k to £67k between 2018 and 2019 due to reduced demand from international students at St Giles International.

The Trust aims to ensure that teacher training courses run in the UK are self-financing: this includes direct costs and also administration, support and management costs. However, in 2019 income generated by the provision of the UK courses failed to cover the direct costs of delivery by £44k. The Trust recruited 107 teacher training candidates in 2019 (173 in 2018). The reduction in candidate numbers as well as commission paid to agents for student recruitment resulted in the costs of running the UK teacher training courses exceeding the income generated. During recent years, the market for CELTA courses (especially in London) has become increasingly competitive whilst demand for these courses continues to be affected by the post Brexit and Covid-19 landscape and the wider impact this has had on people within as well as those about to enter the workforce (e.g. a tendency to seek more stable and long term employment options rather than choosing to travel). The Trust will continue to seek to ensure that direct delivery costs of teacher training become more closely aligned with its income. One important step will be the adaptation of much of many of SGET's teacher training courses (existing and new) for online delivery.



# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2019

---

Each year, the Trust has succeeded in increasing the income which it generates from overseas contracts funded by partner and client organisations including the British Council and overseas universities. This income rose from £57k to £188k between 2018 and 2019, making a net contribution of £83k to the SGET's resources. This level of contribution will be difficult to sustain in future years due to the fact that major contract opportunities such as the *English Connects* programme in 2018 are not always available. However, the Trust will strive to ensure that external contracts continue to make a material contribution year on year.

All of the Trust's income sources are taken into account within the Risk Register: this is kept under regular review by the trustees. Please see paragraph 3.5 (above) for details of the specific impact of Covid-19.

#### 4.2 Results for the year ended 31 December 2019

During 2019, the Trust generated a surplus of £29k (2018 surplus of £12k; 2017 deficit of £31k; 2016 deficit of £74k). This was therefore the third year in succession to see an improvement in the Trust's annual out-turn. In 2019 this improvement was due to an increase in the contribution from external contracts, notably the British Council's *English Connects* programme as above). During 2019 the Trust:

- Continued to enhance its marketing efforts to improve recruitment to the teacher training courses in the UK: this included restructuring of the teacher training pages within the St Giles company web site to ensure that information about the SGET's provision and services can be accessed more easily
- Continued to make efficiency gains on CELTA courses with lower candidate numbers (whilst fully adhering to Cambridge English regulations)
- Was able to build on its growing experience of working with the British Council in different countries to secure and successfully implement two contracts under the aforementioned '*English Connects*' programme in West Africa.

Although the Trust's financial position has continued to improve, the trustees recognise that continued action is needed to ensure that the SGET at least breaks even each year and does not deplete its reserves. However, the outbreak of the global Covid 19 pandemic in early 2020 means this objective will not be achieved in 2020 and may not be achieved during the next few years (see sections 3.5 above and 4.5 below).

#### 4.3 Reserves policy

The Trust's reserves have increased to £451k at 31 December 2019 as a result of the surplus generated during 2019. The Trustees will continue to take appropriate action to ensure that the Trust's reserves are safeguarded whilst still delivering on the Trust's charitable objectives.

The Trust seeks to maintain a reserve (including tangible assets which are not committed to bonds or deposits) which is equivalent to no less than six to nine months of its charitable expenditure, £313k - £470k. The total available reserves at the year-end were £451k which is equivalent to eight months of the Trust's charitable expenditure.

# **ST GILES EDUCATIONAL TRUST**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2019**

---

### **4.4 Investment policy**

The trustees have unlimited powers of investment in accordance with the Trust's Memorandum and Articles of Association. Reserves and surplus funds are deposited in short and medium term accounts and bonds with recognised financial institutions which have full Financial Services Compensation Scheme (FSCS) protection.

### **4.5 Plans for future periods**

Paragraph 3.5 (above) detailed the main impact of the Covid-19 pandemic on the Trust's finances and the steps the SGET is taking to mediate this as well as the associated risks going forward.

The Trust is forecast to sustain a deficit of £256k in 2020 of which £166k relates to the residence; this includes the payment of a premium for the surrender of the lease. However, due to the fact that the residence is highly likely to remain under-occupied for the foreseeable future, the early redemption of the lease has removed a material risk to the Trust. The SGET was also liable (under the terms of the lease) for the undertaking of some capital works at the residence and this liability has now been discharged.

The trustees are fully cognisant of their responsibility to ensure the medium and long term financial viability of the Trust and they are committed to taking the operational decisions which are needed to ensure that this responsibility is fulfilled. The actions they have taken during 2020 will ensure that the Trust remains able to meet its prime charitable objective of delivering teacher training in the UK and overseas.

### **4.6 Responsibilities of the Trustees**

The trustees (who are also the directors of St Giles Educational Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- establish appropriate accounting policies and apply these consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and
- prepare the financial statements on the 'going concern' basis unless it is inappropriate to assume that the charitable company will continue in operation.

# **ST GILES EDUCATIONAL TRUST**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2019**

---

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

With reference to section 144 (2) of the Charities Act 2011, the trustees decided that an audit was not required for 2019 and that an independent examination of the Trust's financial affairs was sufficient.

To the trustees' knowledge:

- there is no relevant information of which the charity's independent examiner is unaware; and
- they have taken all the required steps to make themselves aware of any relevant information and to establish that the examiner is aware of that information.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the trustees:



**Chris Parsons, Chair of Trustees**

**Date: 9 September 2020**

# **ST GILES EDUCATIONAL TRUST**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2019**

---

### **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ST GILES EDUCATIONAL TRUST**

I report on the accounts of the Charitable Company for the year ended 31 December 2019, which are set out on pages 21 - 29.

#### **Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) of the 2011 Act.

#### **Independent examiner's statement**

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

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

- accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities

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

# **ST GILES EDUCATIONAL TRUST**


## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2019**

---

I have noted the actions taken by the trustees during 2020 to mediate the impact of the Covid-19 pandemic on the St Giles Educational Trust's business operations and financial position. I confirm that in my opinion the trust remains a going concern.

Signed:

A handwritten signature in black ink that reads "P R Doble". The letters are cursive and slightly slanted to the right.

Peter Doble  
Chartered Institute of Public Finance and Accountancy  
126 Fox Lane, London, N13

**Date: 10 September 2020**

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### STATEMENT OF FINANCIAL ACTIVITIES INCOME AND EXPENDITURE ACCOUNT

		2019	2018
		Total funds	Total funds
	Note	£	£
<b>INCOMING RESOURCES</b>			
Incoming resources from generated funds:			
Investment income	2	1,805	3,170
Incoming resources from charitable activities	3	654,307	622,117
<b>Total incoming resources</b>		<b>656,112</b>	<b>625,287</b>
<b>RESOURCES EXPENDED</b>			
Charitable activities	4,7	(625,345)	(610,847)
Governance	5	(2,013)	(2,000)
<b>Total resources expended</b>		<b>(627,358)</b>	<b>(612,847)</b>
<b>Net income/(expenditure) for the year</b>		<b>28,754</b>	<b>12,440</b>
<b>Net movement in funds</b>		<b>28,754</b>	<b>12,440</b>
<b>RECONCILIATION OF FUNDS</b>	12		
Total funds brought forward		422,042	409,602
<b>Total funds carried forward</b>		<b>450,796</b>	<b>422,042</b>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### BALANCE SHEET

		2019	2018
	Note	£	£
<b>Fixed assets</b>			
Tangible assets	9	1,223	4,760
<b>Current assets</b>			
Debtors	10	104,345	46,673
Cash at bank and in hand		439,954	463,615
		<u>544,299</u>	<u>510,288</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(94,726)</u>	(93,006)
<b>Net current assets</b>		<b>449,573</b>	417,282
<b>Total assets less current liabilities</b>		<u><b>450,796</b></u>	<u>422,042</u>
<b>Represented by:</b>			
Unrestricted funds	12	450,796	422,042
Restricted funds	12	-	-
		<u><b>450,796</b></u>	<u>422,042</u>

These financial statements were approved by the trustees at their meeting on 9 September 2020 and are signed on their behalf by:



**Chris Parsons**  
**Chair of Trustees**

Charity number: 1081739

Company Registration Number: 03622447

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

---

### NOTES TO THE FINANCIAL STATEMENTS

#### 1. ACCOUNTING POLICIES

##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

##### **Fixed assets**

All fixed assets are initially recorded at cost.

##### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Building Refurbishments / Minor Works	10% of cost per annum
Fixtures & Fittings	25% of cost per annum

##### **Incoming resources**

###### *Income from charitable activities*

Income from charitable activities includes income from the teacher training courses and accommodation. The income is recognised in full on the basis of when it is received.

###### *Investment income*

Investment income is recognised in the period to which it relates.

##### **Resources expended**

All resources expended are recognised on the basis of the period to which the expenditure relates.

###### *Costs of charitable activities*

Costs of charitable activities include costs incurred for providing teacher training courses, residential accommodation and overseas projects. It includes both direct and indirect costs incurred in furtherance of the Trust's objectives.

###### *Support costs*

Support costs are those which cannot be directly attributed to any specific charitable activity and which are incurred to facilitate and administer the overall work of the Trust, including UK teacher training.



# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

---

### NOTES TO THE FINANCIAL STATEMENTS

#### *Governance costs*

Governance costs are those which are directly attributable to the statutory governance of the Trust.

#### *Funds*

The Trust has unrestricted funds held in a designated fund for capital and a general fund. The notes to the accounts provide details of the purpose and level of these reserves.

## 2 INVESTMENT INCOME

	<b>2019</b>	2018
	<b>Total</b>	Total
	<b>Funds</b>	Funds
	<b>£</b>	£
Bank interest receivable	<b>1,805</b>	3,170

## 3 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<b>2019</b>	2018
	<b>Total</b>	Total
	<b>Funds</b>	Funds
	<b>£</b>	£
<b>Teacher training course fees</b>		
CELTA courses	<b>142,742</b>	228,765
DELTA courses	<b>338</b>	0
Customised courses	<b>190,953</b>	61,942
	<b>334,033</b>	290,707
<b>Accommodation fees</b>		
London Central residence	<b>319,723</b>	330,740
<b>Other income</b>		
Grants and Miscellaneous	<b>551</b>	670
	<b>654,307</b>	622,117

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

---

### NOTES TO THE FINANCIAL STATEMENTS

#### 4 COST OF CHARITABLE ACTIVITIES

	2019 Total Funds £	2018 Total Funds £
<b>Teacher training courses</b>		
Direct teacher training course costs	296,667	277,583
Support costs	75,863	89,694
Depreciation	408	408
	<b>372,938</b>	<b>367,685</b>
 <b>Provision of accommodation</b>		
Rent	84,383	76,712
Council tax	3,088	2,941
Utilities and cleaning	44,542	42,308
Catering	44,788	46,084
Security	43,304	41,383
Staff costs	29,044	28,550
Repairs and maintenance	0	1,926
Bank Charges	128	128
Depreciation	3,130	3,130
	<b>252,407</b>	<b>243,162</b>
 <b>Other charitable activities</b>		
Scholarships awarded	0	0
Other projects	0	0
	<b>0</b>	<b>0</b>
	<b>625,345</b>	<b>610,847</b>

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### NOTES TO THE FINANCIAL STATEMENTS

#### 5 GOVERNANCE COSTS

	<b>2019</b>	<b>2018</b>
	<b>Total</b>	<b>Total</b>
	<b>Funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>
Audit and examination fees	<b>2,013</b>	<b>2,000</b>

#### 6 NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
These are stated after charging:		
Depreciation	<b>3,538</b>	<b>3,538</b>
Audit and examination fees	<b>2,013</b>	<b>2,000</b>
And after crediting:		
Interest receivable	<b>1,805</b>	<b>3,170</b>

#### 7 STAFF COSTS AND EMOLUMENTS

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Total staff costs were as follows:</b>		
Salaries and wages	<b>296,236</b>	<b>296,441</b>

No employee received emoluments of more than £60,000 during the year or the preceding year.

No trustee received any expenses or other benefits during this or the preceding year.

#### 8 TAXATION

As a charity, St Giles Educational Trust is exempt from tax on income and gains falling within s505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to or have arisen from its charitable objects. No tax charges have arisen in the Charity.

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

### NOTES TO THE FINANCIAL STATEMENTS

#### 9 TANGIBLE FIXED ASSETS

	Fixtures, fittings and equipment £
<b>Cost</b>	
Brought forward – 1 <sup>st</sup> January 2019	222,573
Additions	-
Disposals	-
Carried forward – 31 <sup>st</sup> December 2019	<u>222,573</u>
<b>Depreciation</b>	
Brought forward – 1 <sup>st</sup> January 2019	217,813
Charge in the year	3,538
Released on disposal	-
Carried forward – 31 <sup>st</sup> December 2019	<u>221,351</u>
<b>Net Book Value</b>	
<b>At 31<sup>st</sup> December 2019</b>	<u><b>1,222</b></u>
At 31 <sup>st</sup> December 2018	<u>4,760</u>

#### 10 DEBTORS

	2019 £	2018 £
Trade debtors	95,959	43,795
Prepayments and accrued income	8,386	2,878
	<u>104,345</u>	<u>46,673</u>

#### 11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	77,715	93,006
Accruals and deferred income	17,011	0
	<u>94,726</u>	<u>93,006</u>

# ST GILES EDUCATIONAL TRUST

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

---

### NOTES TO THE FINANCIAL STATEMENTS

#### 12 FUNDS

	Balance brought forward £	Net incoming / (outgoing) resources £	Transfers £	Balance carried Forward £
<b>Unrestricted funds</b>				
Fixed asset fund	4,760	-	(3,538)	1,222
General funds	417,282	28,754	3,538	449,574
	<b>422,042</b>	<b>28,754</b>	-	<b>450,796</b>
<hr/>				
<b>Restricted funds</b>				
	-	-	-	-
<b>Total funds</b>	<b>422,042</b>	<b>28,754</b>	-	<b>450,796</b>

The fixed asset funds represent the net book value of fixed assets and is used solely for the replacement of existing tangible fixed assets.

The general fund is represented by cash at bank and in hand and is used in all circumstances for the furtherance of the charitable company's objectives.

#### 13 RELATED PARTY TRANSACTIONS

During the year the Trust was under the control of its Trustee Board. There is no ultimate controlling party. There were no related party transactions.