Education Development Trust

Transforming lives by improving education around the world.

ANNUAL REPORT

2021/22

COMPANY NUMBER: 867944

CHARITY NUMBER: 270901

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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.

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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.

<u>National Careers Service</u>
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 innovation

Innovation 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_2e)	2020/21 Emissions (tCO_2e)	% 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 tCO_2e/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_2e)	2020/21 Emissions (tCO_2e)	% 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 CO_2e 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 McGechie (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:
Fiona Condron
BC8C15A11E97446...

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

	Notes	General Fund £'000	Restricted Funds £'000	Year to 31 August 2022 Total £'000	Year to 31 August 2021 Restated* Total £'000
INCOME					
Income from investments	**1d**				
Dividends receivable		81	126	207	202
Rental income		410	-	410	328
Interest income		50	-	50	41
Income from charitable activities	**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					
Expenditure on raising funds					
Investment managers' fees	**1e**	17	27	44	34
Other costs		409	-	409	327
Expenditure on charitable activities	**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

	Notes	General Fund £'000	Restricted Funds £'000	Year to 31 August 2022 Total £'000	Year to 31 August 2021 Restated* Total £'000
INCOME					
Income from investments	**1d**				
Dividends receivable		384	126	510	880
Rental income		403	-	403	326
Interest income		16	-	16	7
Income from charitable activities	**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					
Expenditure on raising funds					
Investment managers' fees	**1e**	17	27	44	34
Other costs		409	-	409	327
Expenditure on charitable activities	**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

	Notes	GROUP As at 31/08/22 £'000	GROUP As at 31/08/21 £'000	CHARITY As at 31/08/22 £'000	CHARITY 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
Cash flows from operating activities		
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**
Cash flows from investing activities		
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**
Cash and cash equivalents:		
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

	Direct Staff Costs	Support Staff Costs	Materials Production and Training Delivery	Premises	Other Project Expenditure (including depreciation)	Other Support Expenditure	Year to 31 August 2022	Year to 31 August 2021 Restated*
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<u>**Expenditure on charitable activities**</u>								
UK	15,050	2,126	254	280	11,230	1,084	30,024	17,934
Africa, Middle East and Asia	14,509	2,362	3,772	393	18,655	1,409	41,100	35,222
Research and Consultancy	1,361	287	46	1	2,589	154	4,438	2,370
Independent Schools	6,060	612	24	1,295	1,918	(127)	9,782	10,653
	36,980	**5,387**	**4,096**	**1,969**	**34,392**	**2,520**	**85,344**	**66,179**
Investment manager's fees	-	-	-	-	-	44	44	34
Other costs	-	-	-	-	-	409	409	327
Total expenditure	**36,980**	**5,387**	**4,096**	**1,969**	**34,392**	**2,973**	**85,797**	**66,540**

*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

(a) Trustees' remuneration and transactions

Recipient		Nature	Year to 31 August 2022 £	Year to 31 August 2021 £
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.

(b) Expenses reimbursed to, and paid on behalf of, the Board of Trustees

Nature of expense	Number of Board Members 2021/22	Number of Board Members 2020/21	Year to 31 August 2022 £	Year to 31 August 2021 £
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

Amounts falling due within one year	Group As at 31/08/22 £'000	Group As at 31/08/21 £'000	Charity As at 31/08/22 £'000	Charity As at 31/08/21 £'000
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

Amounts falling due within one year	Group As at 31/08/22 £'000	Group As at 31/08/21 £'000	Charity As at 31/08/22 £'000	Charity As at 31/08/21 £'000
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**

Movement in deferred income	Group As at 31/08/22 £'000	Group As at 31/08/21 £'000	Charity As at 31/08/22 £'000	Charity As at 31/08/21 £'000
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

	Dilapidations	Tax	Other	Pension deficit reduction payments	Total
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:

	2021/22	2020/21
Assumptions		
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
Composition of assets and liabilities		
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
Reconciliation of the present value of liabilities		
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
Reconciliation of the fair value of assets		
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**

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
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**

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
Return on assets		
Actual return on assets	641	1,382

	Year to 31 August 2022 £'000	Year to 31 August 2021 £'000
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
Analysis of actuarial gain recognised within the SOFA gains and losses category		
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 £'000	Restricted Funds £'000	Total 2020/21 Restated* £'000	General Fund £'000	Restricted Funds £'000	Total 2020/21 Restated* £'000
INCOME						
Income from investments						
Dividends receivable	78	124	202	756	124	880
Rental income	328	-	328	326	-	326
Interest income	41	-	41	7	-	7
Income from charitable activities						
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						
Expenditure on raising funds						
Investment managers' fees	13	21	34	13	21	34
Other costs	327	-	327	327	-	327
Expenditure on charitable activities						
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**
Other recognised gains and losses						
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.