

Company Registration No: 3289238
Charity No: 1060744

GATSBY TECHNICAL EDUCATION PROJECTS

ANNUAL REPORT

5 April 2019

The Peak
5 Wilton Road
London SW1V 1AP

GATSBY TECHNICAL EDUCATION PROJECTS

(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

CONTENTS	PAGE
1 Report of the Trustees	2-4
2 Statement of Financial Activities	5
3 Balance Sheet	6
3 Cash Flow Statement	7
4 Notes to the Accounts	8-10
5 Statement of Trustees' Responsibilities for the Financial Statements	11
6 Report of the Auditors	12-14

GATSBY TECHNICAL EDUCATION PROJECTS

(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

REPORT OF THE TRUSTEES

Legal and Administrative

The Gatsby Technical Education Project (GTEP) was formed as a company limited by guarantee on 9 December 1996 and changed its name to Gatsby Technical Education Projects on 27 November 2000. The company registration number is 3289238.

The company was registered with the Charity Commission on 20 February 1997. The charity registration number is 1060744.

Trustees/ Directors	Miss J S Portrait OBE Mr J C Burns	
Registered Office	The Peak 5 Wilton Road London SW1V 1AP	
Website	www.gtep.co.uk	
Principal Officers	Mr P Hesketh – Chief Executive Mr N Thomas – Executive Director Mrs K Everett – Finance Director Mr J Searancke – Head of Finance	
Bankers	Child & Co 1 Fleet Street London EC4Y 1BD	
Solicitors	Portrait Solicitors 21 Whitefriars Street London EC4Y 8JJ	SNR Denton UK LLP One Fleet Place London EC4M 7WS
Auditors	Crowe U.K. LLP St Bride's House 10 Salisbury Square London EC4Y 8EH	
Objects	The objects of the Charity as given in the Memorandum of Association are the advancement of education for the benefit of the public by the support and development of excellence in engineering, technology, science, mathematics, information technology and other academic areas supporting these disciplines.	
Organisation	<p>The Charity operates from The Peak, 5 Wilton Road, London SW1V 1AP and is funded mainly by the Gatsby Charitable Foundation (Gatsby).</p> <p>GTEP funds certain programmes from its own resources and also administers Gatsby programmes in its own area of expertise that are directly funded by Gatsby.</p> <p>Trustees are appointed by existing Trustees and are provided with relevant information relating to their responsibilities.</p> <p>The Charity and its Trustees are fully aware of the requirements and duties set out in the Charities (Protection and Social Investment) Act 2016. The Trust does not raise funds from the public and as such has no fundraising activities requiring disclosure under SI 62A of the Charities Act 2011.</p>	

GATSBY TECHNICAL EDUCATION PROJECTS

(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

REPORT OF THE TRUSTEES (continued)

Principal activities

GTEP develops and manages innovative programmes which enrich and enhance science, technology, engineering and mathematics (STEM) education and training in the UK. The details below give an indication of how GTEP pursued its aims over the last 12 months.

GTEP programmes funded from grants in the year under review

This year, GTEP has continued to focus its work on two long-standing objectives: to improve technical education and the training of technicians; and to support the teaching of science and mathematics in schools and colleges.

On the first of these – improving technical education – GTEP staff have continued to offer advice to the Department for Education (DFE) and the Institute for Apprenticeships and Technical Education (IFATE) regarding how to bring about positive reform to England's technical education system. This work follows the government's commitment in 2016 to implement all of the recommendations made by the *Independent Panel on Technical Education*, which was chaired by Lord Sainsbury of Turville (settlor of the Gatsby Charitable Foundation). This year, a particular focus has been on Higher Technical Education (HTE) – including Level 4 and 5 qualifications like HNCs and HNDs that sit below undergraduate degrees (Level 6) but above A-levels and T-levels (Level 3). HTE has long been a neglected area of education policy, with much more attention being paid to the phases above and below it. This year, GTEP commissioned research exploring how the HTE system in England reached the point where it is today and how current provision compares with other countries. This work informed the DFE review of HTE and the resultant consultation document published in July 2019. Looking forward, GTEP will continue to take a strong interest in HTE, as Trustees believe that a robust system of qualifications and training at this level is essential if the UK is to remain competitive in fields such as advanced manufacturing and digital technologies. Trustees also remain committed to supporting the introduction of T-levels, which will be rolled-out across the country in phases from September 2020. A critical component of every T-level programme will be a 9-12 week industry placement in a relevant employer, and GTEP continues to explore innovative approaches to ensuring that, by 2025 (when full national coverage for T-levels will be reached), the necessary 100,000-plus placements each year will be available.

In pursuit of its second objective – supporting the teaching of science and maths in schools – GTEP continues to take a keen interest in how to ensure a strong supply of specialist teachers in maintained schools in England. Following last year's publication of GTEP-commissioned research that showed how modest salary supplements paid over the first five years of a science teacher's career could boost retention in a cost effective way, Trustees were pleased to see the government announce that it would pilot this approach in 2019. GTEP will monitor the progress of this pilot work, suggesting additional interventions as appropriate. This year GTEP also commissioned a report from University College London Institute of Education describing eight, evidence-based actions that schools could take to help retain specialist science teachers. In the coming year, GTEP plans to develop this work further through the production of case studies and looking at other factors affecting teacher retention. GTEP has also continued to work with the Education & Training Foundation (ETF) to deliver the 'Further Forces' programme, which seeks to increase the recruitment of armed service leavers into teaching positions in Further Education colleges. GTEP's support for the programme is focused on providing subject-specialist mentoring to help service leavers make the transition to teaching.

GATSBY TECHNICAL EDUCATION PROJECTS

(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

REPORT OF THE TRUSTEES (continued)

Reserves

GTEP receives most of its funding from the Gatsby Charitable Foundation. As this funding is provided over several years, and is drawn down as needed, GTEP does not require significant reserves. The Trustees are satisfied that this policy will continue to enable GTEP to meet its obligations as they fall due. Unrestricted reserves were £129,601 (2018: £146,567) at the year end.

After making enquires, the trustees are not aware of material uncertainties that cast doubt on going concern and have a reasonable expectation that the company has adequate resources to continue its activities for the foreseeable future as reflected in the Report of the Trustees. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Risk Assessment

The Trustees have examined the major strategic, business and operational risks to which the trust may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, adequate systems are in place to meet such potential risks as the Trustees have identified.

The examination of risk has been focused particularly on non-financial risks including reputational risk. This is minimised by GTEP's experienced and professional staff who enjoy good working relationships with beneficiaries. Trustees have also examined the impact of the loss of key staff, where risk is mitigated by significant overlap of duties and the transfer of knowledge of the Charity's different programmes.

The Trustees continue to be vigilant and keep processes under review.

Financial Performance

The financial position of GTEP is satisfactory. Funding from the Gatsby Charitable Foundation is continuing. GTEP requests money from the grants awarded to it as and when required, the timing of which can result in big year-on-year swings in net movement on funds. This does not, however, impact the financial stability of the organisation.

Staff Remuneration

The remuneration of the senior staff (including key management personnel) is reviewed by the Trustees on an annual basis taking into account the requirements of their role and performance during the year. From time to time the Trustees benchmark pay levels against the comparable positions in similar organisations.

Charity and Public Benefit

Trustees are aware of the Charity Commission guidance on Charity and Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. They consider the full information which follows in this annual report, about the Charity's aims, activities and achievements in the many areas of interest that the Charity supports demonstrates the benefit to its beneficiaries, and through them to the public, that arise from those activities.

Charity Governance Code

Trustees are aware of the Charity Governance Code published in 2017 which sets out the principles and recommended practice for good governance within the sector. The Charity has reviewed its governance arrangements against the principles within the code and believes that it is compliant with the code whilst maintaining its need to operate its governance efficiently.

Approved by the Board on 10 October 2019 and signed on their behalf by

Miss J S Portrait OBE
TRUSTEE

GATSBY TECHNICAL EDUCATION PROJECTS

(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)

FOR THE YEAR ENDED 5 APRIL 2019

<i>Notes</i>	2019	2018
	£	£
Income:		
Grants receivable – unrestricted funds	1,495,123	1,581,304
Grants receivable – restricted funds	-	50,000
3	1,495,123	1,631,304
Provision of goods and services	555	569
Interest and other income	295	73
Total income	1,495,973	1,631,946
Expenditure:		
<i>Expenditure on charitable activities:</i>		
Charitable activity – unrestricted funds	1,512,939	1,581,304
Charitable activity – restricted funds	-	50,000
4	1,512,939	1,631,304
Total expenditure	1,512,939	1,631,304
Net (expenditure)/income and net movement in funds for the year	(16,966)	642
Reconciliation of funds		
Total funds brought forward	146,567	145,925
Total funds carried forward	129,601	146,567

The notes on pages 8 to 10 form part of the financial statements.

GATSBY TECHNICAL EDUCATION PROJECTS

(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

BALANCE SHEET (Company Registration No. 3289238)

AS AT 5 APRIL 2019

	<i>Notes</i>	2019	2018
		£	£
CURRENT ASSETS			
Debtors	6	157,824	122,645
Cash at bank and in hand		49,187	32,144
Total Current Assets		207,011	154,789
LIABILITIES			
Creditors - amounts falling due within 1 year	7	(77,410)	(8,222)
NET ASSETS		129,601	146,567
The funds of the charity:			
Unrestricted funds		129,601	146,567
		129,601	146,567

Approved by the Trustees on October 2019 and signed on their behalf by:

Miss J S Portrait OBE
TRUSTEE

The notes on pages 8 to 10 form part of these financial statements.

GATSBY TECHNICAL EDUCATION PROJECTS

(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

CASH FLOW STATEMENT

FOR THE YEAR ENDED 5 APRIL 2019

	2019	2018
	£	£
Cash flows from operating activities	17,043	(162,178)
Net cash received from/(used in) operating activities	<u>17,043</u>	<u>(162,178)</u>
 Cash at bank and in hand	 2019	 2018
	£	£
Change in cash at bank and in hand during the year	17,043	(162,178)
Cash at bank and in hand at beginning of year	32,144	194,322
 Cash at bank and in hand at end of year	 <u>49,187</u>	 <u>32,144</u>
 Reconciliation of net income/(expenditure) to net cash (used in) operating activities	 2019	 2018
	£	£
Net (expenditure)/income for the year (as per the Statement of Financial Activities)	(16,966)	642
Increase in debtors	(35,179)	(117,269)
Increase/(decrease) in creditors	69,188	(45,551)
 Net cash received from/(used in) operating activities	 <u>17,043</u>	 <u>(162,178)</u>

The notes on pages 8 to 10 form part of these financial statements.

GATSBY TECHNICAL EDUCATION PROJECTS

(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

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

a) Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Charitable Company constitutes a public benefit entity as defined by FRS102.

b) Going concern

After making enquires, the trustees are not aware of material uncertainties that cast doubt on going concern and have a reasonable expectation that the company has adequate resources to continue its activities for the foreseeable future as reflected in the Report of the Trustees. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

c) Income

Unrestricted income represents grants receivable in respect of project costs. Restricted income includes grants receivable which relate to the current year and are subject to contractual conditions from the donor specifying the time period to which related expenditure can occur. These grants are credited to restricted income within the SOFA.

d) Costs of administration

These costs include a share of the staff and office costs of the joint offices of the Sainsbury Charitable Family Trusts, which are allocated in proportion to the time spent on Trust matters and grants paid.

e) Charitable activities

The Trustees consider that the furtherance of technical education is the Trust's sole charitable activity.

f) Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit, legal fees where relevant.

g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Restricted funds must be used in accordance with specific restrictions specified by funders.

h) Taxation

Since its activities are wholly charitable, the Charity will not be chargeable to corporation tax on its income or any profits. Accordingly, no tax liability arises.

GATSBY TECHNICAL EDUCATION PROJECTS

(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

NOTES TO THE ACCOUNTS (continued)

1. ACCOUNTING POLICIES (continued)

i) Financial instruments

GTEP has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank, grants receivable and other debtors. Financial liabilities held at amortised cost comprise trade creditors and accruals.

At the balance sheet date the charity held financial assets at amortised cost of £207,011 (2018: £153,033). Financial liabilities at amortised cost of £77,410 (2018: £8,222).

2. LEGAL STATUS

- a) The company is limited by guarantee and has no share capital.
- b) The members undertake to contribute not more than £10 each if required in the event of a winding up of the company.
- c) The company is registered under the Companies Act 2006 and is incorporated in England and Wales.
- d) The registered office of the company is located at The Peak, 5 Wilton Road, London, SW1V 1AP.
- e) The company is registered with the Charity Commission, registration number 1060744.

3. GRANTS RECEIVABLE

During the year, the Charity received grants from the following organisation:

	2019	2018
	£	£
The Gatsby Charitable Foundation	1,495,123	1,581,304
Department for Education	-	50,000
	1,495,123	1,681,304

4. ANALYSIS OF EXPENDITURE

	2019	2018
	£	£
Direct costs		
Programme expenses	82,002	312,379
Staff costs (see Note 5)	1,136,318	1,106,324
Office costs and administrative expenses	281,243	202,377
Support and governance costs	1,499,563	1,621,080
Legal and professional fees	8,016	6,390
Auditors' remuneration	5,360	3,834
	1,512,939	1,631,304

Included above is £7,008 (2018: £6,390) payable for legal services to Portrait Solicitors, a firm in which Miss J S Portrait is a partner. There were no other related party transactions.

Auditors' remuneration includes irrecoverable VAT of £893 (2018: £639).

GATSBY TECHNICAL EDUCATION PROJECTS

(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

NOTES TO THE ACCOUNTS (continued)

5. ANALYSIS OF STAFF COSTS

	2019	2018
	£	£
Wages and salaries	947,422	906,840
Social security costs	114,863	111,033
Other pension costs	74,033	88,451
	1,136,318	1,106,324

The average number of staff employed during the year was 20, all on a part-time basis (2017/18: 18). This equates to 13 full-time employees (2017/18: 13).

The number of senior staff paid over £60,000 during the year to 5 April 2019 (salary plus taxable benefits excluding pension contributions) was:

£70,001 - £80,000	1	1
£90,001 - £100,000	-	1
£100,000 - £110,000	2	1
£140,001 - £150,000	1	1
£150,001 - £160,000	-	1
£180,001 - £190,000	1	-

No Trustees received remuneration or were reimbursed expenses during the year (2018: £Nil). Total compensation paid to 4 key management personnel during the year was £429,339 (2018: £353,571).

As mentioned in Note 1d, the Trust is one of the Sainsbury Family Charitable Trusts which share a joint administration at the Registered Office. 14.3% of the total support and administration costs of these trusts have been allocated to the GTEP, including a proportionate share of the costs of employing the total number of staff serving in the office in 2018/19.

6. DEBTORS

	2019	2018
	£	£
Prepayments	-	1,756
Other debtors	157,824	120,889
	157,824	122,645

7. CREDITORS

	2019	2018
	£	£
Trade creditors	-	4,388
Accruals and deferred income	11,869	3,834
Other creditors	65,541	-
	77,410	8,222

GATSBY TECHNICAL EDUCATION PROJECTS

(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company/charity and of its result for that period. In preparing these financial statements, the Trustees are 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 to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware. The Trustees have each taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

GATSBY TECHNICAL EDUCATION PROJECTS

(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GATSBY TECHNICAL EDUCATION PROJECTS

Opinion

We have audited the financial statements of Gatsby Technical Education Projects for the year ended 5 April 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 5 April 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

GATSBY TECHNICAL EDUCATION PROJECTS

(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GATSBY TECHNICAL EDUCATION PROJECTS (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 11 the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

GATSBY TECHNICAL EDUCATION PROJECTS

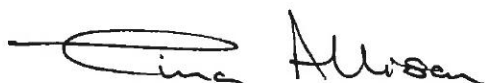
(A Company Limited by Guarantee and a Registered Charity)

5 April 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GATSBY TECHNICAL EDUCATION PROJECTS (continued)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.



Tina Allison
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

16 October 2019