

REGISTERED COMPANY NUMBER: 03465914
REGISTERED CHARITY NUMBER: 1066956

**Report of the Trustees and
Audited financial statements for the year ended 31 March 2020
for**

The Council for Industry and Higher Education

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THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

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THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31 March 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (Charities SORP (FRS 102)).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03465914 (United Kingdom)

Registered Charity number

1066956 (England and Wales)

Registered office

Studio 10
Tiger House
Burton Street
London
WC1H 9BY

Trading name

The Charity is trading as National Centre for Universities and Business (NCUB).
Website: www.ncub.co.uk

Trustees

Sir Roger Bone (resigned 06 June 2019)
David Brown (appointed 20 June 2019)
Professor Julia Buckingham (resigned 01 January 2020)
Professor Jean-Noël Ezingard (appointed 20 June 2019)
Scot Gardner (appointed 20 June 2019)
William Samuel Hugh Laidlaw (Chairman)
Professor Julie Lydon
Professor David Phoenix
Professor Richard Parker (resigned 04 April 2019)
Robert Rabone (appointed 09 September 2019)
Professor Roy Sandbach OBE (appointed 20 June 2019)

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Company Secretary & Chief Executive Officer

Dr Joe Marshall

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House, 108-114 Golden Lane,
London
EC1Y 0TL

Bankers

Barclays Bank PLC
Bedford Square Branch
27 Soho Square
London
W1A 4WA

CAF Bank Limited
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

Metro Bank
120 Cheapside
London
EC2V 7JB

STRUCTURE, GOVERNANCE AND MANAGEMENT

1. Structure and governance

The Charity is controlled by its governing documents, a memorandum and articles of association and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The Charity is trading as the National Centre for Universities and Business (NCUB).

The Trustees of the charitable company (The Charity) are its Trustees for the purposes of charitable law and throughout this report are collectively referred to as the Trustees. For the purposes of Company Law, Trustees are the Directors of the Charity. The Trustees serving during the year and since the year end are given on page 1.

A Chief Executive is appointed by the Board to manage the day-to-day operation of the Charity.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

1.1 Trustee selection, appointment and competence

Trustees are selected for appointment from the “members of the Council” who are the nominated representative of each organisation that supports NCUB and serve on a wider Leadership Council. Trustee appointments are made by the general agreement of the Board of Trustees. Trustees are inducted into the Charity by the Chair and members of the Executive Team including an overview of the Charitable Articles, principle activities and governance responsibilities.

The Board does not conduct a formal annual review of board members although discussions are held on the approaching retirement of current members. New Trustees are provided with an introduction and induction through meetings with the Chair of Trustees, the Chief Executive and senior members of staff.

1.2 Investment Powers

Under the Memorandum and Articles of Association, the Charity has the power to make any investments which the Trustees see fit. As a practical matter such investments have been confined to those that clearly meet the Charity’s aims and objectives.

1.3 Charitable Objects

NCUB exists for the advancement of education, training, research and all kinds of learning by the fostering and promotion of mutual understanding, co-operation and support both in the UK and overseas between educational institutions and industry and commerce.

2. Aims and Objectives

NCUB is an independent and not-for-profit membership organisation that promotes, develops and supports university-business collaboration across the UK. NCUB is the only organisation bringing together universities and businesses to influence government and solve the country’s challenges.

It does so by:

- Co-operating to produce graduates with the right expertise, strengths and talent for modern business environment;
- Promoting best practice collaborative research between companies and universities to increase the competitive strengths of businesses in the UK;
- Working on the UK’s grand challenges through Task Forces that provide thought leadership and breakthroughs in policy and practice; and
- Influencing on behalf of the business-university partnerships at the highest levels of government.

Areas of Research and Policy focus:

- University-Business Collaboration;
- Making the most of the UK’s research base;
- Growing and developing the talent and leadership within Engineering and Manufacturing;
- The important role of SME within the innovation ecosystem and collaboration with Higher Education Institutions;
- Role of higher education in meeting the UK’s competitive needs.

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

Our values:

- We adopt a partnership approach in everything we do and respect the often appropriately different drivers of the business and academia;
- We focus on where that partnership approach can add particular value;
- We argue our case with integrity and commission impartial quality research;
- We constantly review our work and approach to uphold the political neutrality and independence from any interest group;
- We want to be inclusive, diverse, outward looking and draw on international experience; and
- We seek to secure the close involvement and commitment of all our members.

3. Significant Activities

Much of the work focused on engaging NCUB members, public funders and key stakeholders around issues affecting university-business collaboration and in enhancing the UK knowledge economy.

3.1 Change management programmes

a. Talent 2030

Talent 2030 is an ambitious campaign to encourage more talented young people to pursue careers in manufacturing and engineering – including software development. Talent 2030 is particularly focused on inspiring more girls to consider careers in these sectors, working jointly with business and universities to undertake outreach into schools and colleges. At present only 8% of the UK's professional engineers are women, the lowest level in Europe. From any perspective this is a huge waste of talent.

The three key messages which research shows will encourage young women into engineering are: better knowledge of future earnings; more emphasis on the green and sustainable side of engineering and more women role models.

Our campaign has these three elements at its heart. As well as direct outreach work with schools, we have been building up the policy case for change within government, business and universities and have published ambitious targets setting out the numbers of young women the UK needs to be studying physics, mathematical and engineering – from GCSE through to PhD.

In 2019/20 we completed the 2019 competition with outreach visits to Rolls Royce and PepsiCo in May 2020. Winners, announced at the Big Bang Fair in March 2020, were taken on visits to either the Rolls Royce sites in Derby or one of the food research centres for PepsiCo in Leicester. As part of a wider strategic review, the Talent 2030 Competition was put on hold through 2019/20 to ensure if the competition ran again in future years it strategically aligned with other programmes offered by NCUB.

3.2 Analysis, policy and engagement

a. State of the Relationship report

The State of the Relationship report is NCUB's flagship report which aims to summarise university-business collaboration across the UK and provide an authoritative source on the spread and quality of collaboration activity taking place in the sector. A State of the Relationship report is published each year featuring a range of expert views and case studies.

The State of the Relationship 2019 marks the next step in the evolution of the report with a greater focus on forward looking, horizon scanning pieces. NCUB's Collaboration Progress Monitor was updated. This provides a basket of hard metrics that will, over time, determine what is successful and where challenges remain. The flagship publication carried the voice of the NCUB public funders and members on the partnership between universities and business, supported by robust evidence gathered from multiple corporate and academics contributors across the UK.

b. Smart Specialisation Hub and Local Industrial Strategy support

A Smart Specialisation Hub was managed and maintained by the National Centre for Universities and Business, in partnership with the Knowledge Transfer Network (KTN). It was created in response to the Witty Review in 2014 and supports effective design, delivery and alignment of EU, national and local Research and Innovation (R&I) policies (especially those that are ESIF co-funded).

As a time bound project the hub formally finished at the end of March 2019. In May 2019, the Department for Business, Energy and Industrial Strategy (BEIS) asked NCUB to support one Local Enterprise Partnership (LEP) in the development of the Local Industrial Strategy. Through an arrangement with BEIS - NCUB provided policy and analysis support to the LEP to feed into a formal submission to Government.

c. Understanding Business Motivations to Invest in R&D

The current UK Industrial Strategy sets a 2.4% of GDP target for R&D spend by 2027. This will require a significant uplift in business investment in R&D. But understanding the drivers, motivations and justifications for businesses to invest in R&D are limited.

NCUB has been asked by Research England, and for the benefit of UKRI more generally, to build a long-term source of evidence for both research impact and knowledge exchange developments. The purpose is to establish a new baseline dataset on business perspective of collaboration and interactions with universities in the UK. Working with a research team at the University of Cambridge – a survey will be carried out in 2020 with findings to shape future policy interventions.

d. Investor Relations and Universities

NCUB supported Mike Rees, former deputy Chief Executive of Standard Chartered Bank, with an Independent Review for Research England of ways to strengthen university access to finance that supports spin-out company formation and university-investor relationships. The review focused on universities with large-scale investor links and those seeking support through schemes, such as the Research England Connecting Capability Fund (CCF). NCUB convened its network to feed into the review and support the launch of the report in July 2019.

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e. Knowledge Exchange Concordat

NCUB was approached by Research England to support Universities UK in the roll out of the Knowledge Exchange Concordat. Specifically, NCUB will work on developing an online portal to hold key concordat documentation and highlight good practice connected to the KE concordat. The portal was developed by March 2020 and formally launched the next month in April.

f. Talent 2050: Engineering Skills and Education for the Future

A collaborative project led by Paul Jackson, former CEO of Engineering UK, which focuses on six key themes around approaches to education and employability between now and 2050. The workshops feeding into this work were well attended, with representatives from universities, businesses, professional engineering institutes and policy stakeholders. Additional meetings have taken place between Paul Jackson and Stephen Metcalfe (Government's Year of Engineering Envoy), Carol Monaghan (MP for Glasgow North West) and Chi Onwurah, (Shadow Minister for Industrial Strategy, Science and Innovation). An interim report was published September 2018 and a full report was published in July 2019.

g. Developing future talent: exploring new approaches in talent development

Scoping work began on a major programme of work around a Future Skills Task Force in collaboration with the CBI and others. The impact of AI and automation as well as the implications of digitisation and Industry 4.0 will all profoundly change the types of jobs required in the economy, how they are organised and who does them. For our members – both universities and businesses – this is an area we have been asked to address through new programmes of work. Gathering evidence on the impacts this is having on existing programmes and what future initiatives might be required. We will be engaging them through events, roundtables and reports.

h. Degree Apprenticeships

NCUB has been supporting Universities UK (UUK) work and engaging our university and business members to understand the opportunities and challenges in delivering degree apprenticeships. Following the publication of the UUK report in July 2019 we developed a proposal with UUK to extend the work specifically to increase the reach of businesses and explore collaborative partnership building.

The main areas of interest from the universities and businesses we spoke to cover the common concerns of the system; slow approval process; lack of transparency from Education and Skills Funding Agency (ESFA) and the Institute for Apprenticeships; and the restriction of provision to SMEs. For members with a strong regional identity, this last point creates issues over the ability to service local communities and is leading to the concern that the government is creating and enhancing cold spot, where smaller employers are unable to access the skills identified in the Local Industrial Strategies and Local Growth Fund Strategies.

3.3 Digital Platforms

a. Innovation Brokerage: konfer

In 2016, the National Centre for Universities and Business with partners at HEFCE, Research Councils and Innovate UK launched konfer – an intelligent brokerage tool – which was created to improve the ease with which university-business collaboration can be enabled and maintained.

More specifically the tool:

- Enables businesses to identify potential opportunities for collaboration (research, researchers, facilities/equipment, funding and support)
- Establishes opportunities for universities to find potential research partners
- Provides a tool where issues and challenges for industry can be addressed through smart searching and automated brokering.

Driving the creation and further development of konfer has been a commitment by the Government to help open-up collaborative opportunities within our world leading universities to even more businesses especially to small and medium sized enterprises (SMEs). Accessing collaborative opportunities has traditionally been the preserve of large corporates with the capacity to search out and connect with different universities, smaller companies are underrepresented in interactions with the university research base. Konfer helps smaller businesses use one website to access opportunities across all UK universities.

The tool continues to be supported by Research England on behalf of UK Research and Innovation (UKRI). Following a launch of a beta version of the platform by Sir Mark Walport (Chief Executive designated of UKRI) in November 2017, the team was working to a new feature release in May 2019. This was a major milestone for konfer providing a more stable and scalable platform to build future developments from. Through 2019/20 we released a number of key features including a sophisticated funding matching tool and a new major Business Directory that digitally profiles 27,000 companies across the UK to be able to match them to university opportunities.

b. Work Experience: Placer

NCUB established in 2017 a formal Joint Venture vehicle with Unite Students and Jisc to develop a digital service for students and universities which will showcase curated work experience opportunities from a variety of businesses, large and small, across all sectors. The core ethos is creating a national pool of work experiences – a day, a week, a month, a year – with mentors, for students from particularly disadvantaged backgrounds in order to equalise life chances for all. The platform has been delivered in the form of a mobile app targeted to students, with Tinder-style functionality (swipe left/swipe right). The major focus for the platform through 2019/20 has been seeking more university partners to adopt and use the platform.

4. Achievements and Performance

NCUB's expertise and research output continues to be the forefront of guiding Government policy on business-HE relationships. Our reports have been widely welcomed by our business and university members as well as Government and its agencies. Leading policy makers continue to seek our views, be involved in our groups and invite our participation in a range of strategy and discussion groups.

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4.1 NCUB Publications

We continue to influence their policies and actions and have produced a range of key reports including:

- **Talent 2050 - Engineering Skills and Education for the Future** (Published July 2019)
Examines key issues affecting the sector's approaches to education and employability between now and 2050.
- **The State of the Relationship 2019** (Published June 2019)
Our flagship report, the State of the Relationship, showcases collaboration across the UK.
- **Talent 2030 Dashboard 2019** (Published September 2019)
Talent 2030 runs a unique tracking exercise to monitor the number of female students entering GCSE and A-Level physics, as well as undergraduate and postgraduate technology studies. The dashboard contains targets to improve these numbers between 2012 and 2030.

4.2 Convening and engagement

We also held a number of high-profile events during the year including:

Networking and launches:

- **State of the Relationship Report 2019** – the launch of the report was celebrated with a major event in central London attended by 100+ people representing members, partners and stakeholders.
- **Autumn 2019 Keynote and Reception** - with Mike Rees – formerly of Standard Chartered – reporting on the work of access to finance with an evening in the City attended by 80 people.
- **Chairman's Reception, House of Commons** – our annual senior leadership networking event to begin the year and engage representatives in parliament and government hosted by Lord David Willetts.

A major focus for 2019/20 has been proactive engagement and visits to meet with members face to face. Visits were scheduled to members across all regions of England, Scotland and Wales (having visited Northern Ireland twice in 18/19). On average the team were out doing two visits per week throughout the summer and autumn. We had very positive feedback back from members about our efforts to proactively engage them.

5. Public Benefit

We fully complied with the requirements for a public benefit statement – this was approved at our Trustees' meeting in 2008 and is listed below for compliance purposes. There are demonstrable benefits to the public from our work. Our mission advances the public good by:

1. Facilitating a dialogue between businesses, universities and colleges so that individual learners of all ages can be better informed on the benefits of higher level learning including enhanced employability and personal good, cultural understanding and their development as global citizens as well as how such learning and understanding can advance the wider social cohesion of the UK;
2. Advancing research and knowledge and our understanding of how knowledge can address global issues and enhance the UK's productivity and competitiveness;
3. Influencing the Government and its agencies so that policies can better achieve these aims, be more efficient and effective;
4. Seeking to ensure that the UK has an internationally competitive system of higher education without enhanced national prosperity and social cohesion will not be achieved.

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The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Our work benefits all sections of the society in the UK and potentially outside the UK; we do not focus on any social group or geographical area. We try to be reflective of the whole spectrum of British businesses and universities. We continue to distribute all of our publications free of charge initially to as many organisations as possible who we think could benefit even when published only electronically. One of our key aims is to enhance awareness of the wider benefits of higher level of learning so that all can aspire and all who are capable participate. We seek to be international and open in our dialogue and consider that this helps our work to be balanced, informed and evidence-based.

6. Objectives and Activities

6.1 Fundraising activities

Factors outside the control of the Charity do have a bearing on our financial position at any one point in time. We endeavour to minimise the risk through securing a rolling (not time-bound) funding commitments from our members. The Trustees have actively helped us attract new members who also care about the UK having a world-class system of higher education that meets the needs of businesses and students.

6.2 Fundraising Policy

National Centre for Universities and Business does not engage in public fundraising and does not use professional fundraisers or commercial participators. During the year there was no non-compliance of fundraising regulations and codes and the Charity received no complaints relating to its fundraising practice.

6.3 Financial Review and Results

Project income came from various organisations including the Government and Funding Councils. As much of this funding now relates to more specific work, it has largely been treated as restricted.

Funding commitments from member organisations are still reassuringly good in the current economic environment. As always, further commitments are needed and are being sought.

The financial performance and position of the Charity is summarised in the Statement of Financial Activities and Balance Sheet set out on page 17 and 18. Total income for the year amounted to £2,565,312 (2019 - £1,607,001) less total expenditure of £2,207,250 (2019 - £1,672,046) giving an overall net increase in funds of £358,062 (2019: decrease in funds of £65,045).

6.4 Investment policy

Our policy is to invest the majority of our funds primarily with the CAF Bank which provides both security and flexibility of access.

6.5 Funding Sources

A major element of our funding comes from the annual donations that our supporting companies, universities and other organisations make to NCUB as a registered Charity. Another major element of our

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

funding comes from Research England which is now largely treated as restricted income. This enables us to recover some of our overheads and costs on the projects we undertake. We earn interest on the funds we have on deposits at the banks. We continue to increase wherever possible the amount of our project income and resulting contribution to overheads in absolute and as a proportion of total income.

6.6 Going Concern

The Trustees have acknowledged the latest guidance on going concern. The NCUB has sufficient financial resources to sustain their level of activity and has no external debt. The NCUB will endeavour to secure sufficient funding to meet commitments and enforce stricter controls on costs. The Trustees believe that NCUB is well placed to manage its risks successfully and have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statement. There are no material uncertainties about the Charity's ability to continue as a going concern.

6.7 Remuneration Policy

The NCUB pay rate is reviewed annually by the board to take account of cost of living increases with any changes to the pay rates become effective from 1st April of each year.

The Charity sets the pay of its staff and key management personnel using industry benchmarks, performance reviews and appraisals. The Board approves any annual increases and any changes to the Chief Executive's salary.

6.8 Reserves Policy

The reserves policy is reviewed annually and was last updated at the March 2020 NCUB Board meeting. The Trustees have set a reserves policy which requires:

- i. Reserves are to be built up to a level which ensures that at least 3 months of NCUB's core activity could continue during a period of unforeseen difficulty.
- ii. A proportion of reserves are maintained in a readily realisable form.
- iii. The reserves will be reviewed regularly and further contributions to reserves will be determined to maintain the reserve at levels sufficient to cover at least 3 months of NCUB's core activity.

Over the last few years NCUB has built up reserves from non-restricted income sources. It has ensured that there are formal reserve levels of £550k in place. As the balance in funding sources changes between Research England funding and membership subscriptions we will continue to review the reserves levels.

For the current financial year, with an unrestricted expenditure of £274,035 then three months of core activities would equate to £68,509.

At the 31st March 2020 the free reserves of the Charity, defined as unrestricted funds less fixed assets used with the Charity's business, were £984,596 (2019: £641,656) which is in excess of the target policy. This level of funding is prudent given the non-linear nature of funding provides for operational finance for future years.

Given the increased uncertainty around membership income arising from the Coronavirus crisis, we propose to retain these funds as a contingency for the next few months.

6.9 Risk Management

The major risks facing the Charity are:

- Failing to meet the expectations of members (e.g. through not addressing the major issues or being taken seriously by the Government and devolved administrations) and hence their withdrawing their involvement and financial support. We aim to mitigate this through undertaking work that is at the forefront of thinking, influencing policy and practice through the power of partnership and in other ways ensuring that the NCUB is seen to be performing a highly valued role that commends attention and respect.
- Failing to attract new members from a suitable range of major organisations when existing members retire or move on. We aim to mitigate this through the quality of our policy research and the leadership network that we leverage to underpin our work as well as through the provision of more digital services to our members and funders. The resulting with external organisations is due to fully to the support, commitment and involvement of our members.

Going forward this aspect of our work will become increasingly important, with the organisation evolving to take greater strategic advantage of our unique membership.

- Failure to keep close relationship with Government and associated arms-length Public Bodies to support policy priorities and be seen as a strategic partner in fostering greater collaboration between businesses and universities.
- Trying to cover too broad a range of activities either to satisfy members or respond to external invitations. We have set clear priorities and will focus the majority of resources on establishing our strategic Task Forces to achieve a greater university-business collaboration and leadership on the global challenges that will have a bearing on the UK's future competitiveness.
- Failure of our IT systems, serious loss of data with financial and operational limitations. We mitigate this through regular back-up of our systems, including thorough off-site back up of all our data.
- Failure to retain senior staff. With a small core team working in a vibrant labour market in central London it is important to create the conditions to retain and develop staff within the organisation and continue to offer career progression opportunities.
- Since December 2019, the outbreak of a novel strain of the coronavirus ("COVID-19") has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses resulting in an economic slowdown. The outbreak is currently creating unprecedented economic and social uncertainty throughout the world. The ultimate impact of the outbreak is difficult to predict, but it is likely that it will have a materially adverse impact on global, national and local economies. The duration and impact of the outbreak is unknown at this time and we could experience a drop in income from subscriptions and grant income. Our operations and financial position could be materially adversely affected if current conditions persist. The related financial impact and duration cannot be reasonably estimated at this time.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

- We expect this matter to negatively impact our operating results and financial position in 2020/21 and subsequent years

7. Plans for future periods

Through 2019/20 – a new Senior Leadership Team, including a Head of Policy and Engagement and Head of Operations and Planning has been recruited to support the day-to-day running of NCUB with the Chief Executive. The new Strategic Business Plan approved in March 2019 that covers the period from 2019 to 2022 is guiding the work of the organisation and has been further refined with the arrival of new senior staff. A key priority is the further integration of the different elements across the Charity to work closer and better together.

8. Statement of Trustee responsibilities

The Trustees (who are also Directors of the Council for Industry and Higher Education for the purposes of company law) are responsible for preparing the Trustees' annual report and financial statement in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law required the Trustees to prepare financial statements for each financial year which gave a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgement and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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.

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charity's auditors are unaware;
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

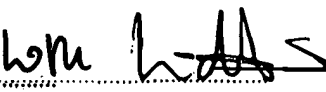
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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The report of the Trustees has been approved by the Trustees on 08 September 2020 and signed on their behalf by:

Name Mr William Samuel Hugh Laidlaw 
Title Trustee/Chair
Date 08/9/2020

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION FOR THE YEAR ENDED 31 MARCH 2020

Opinion

We have audited the financial statements of The Council for Industry and Higher Education (the 'charitable company') for the year ended 31 March 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows 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 31 March 2020 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
- 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 other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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

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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.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The Trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the 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 Trustees' annual 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; or
- The Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' annual report, 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

Noelia Serrano (Senior statutory auditor)

19 October 2020

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

**STATEMENT OF FINANCIAL ACTIVITIES (Incorporating the Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2020**

		Unrestricted	Restricted	Total 2020	Total 2019
	Notes	£	£	£	£
Income from:					
Donations and Legacies	2	624,000	1,941,040	2,565,040	1,606,842
Investments	3	272	-	272	159
Total income		624,272	1,941,040	2,565,312	1,607,001
Expenditure on:					
Raising funds		125,928	-	125,928	199,808
Charitable activities		148,107	1,933,215	2,081,322	1,472,238
Total expenditure	4	274,035	1,933,215	2,207,250	1,672,046
Net expenditure	6	350,237	7,825	358,062	(65,045)
Transfers between funds	13	-	-	-	-
Net movement in funds		350,237	7,825	358,062	(65,045)
Total funds brought forward		643,334	-	643,334	708,379
Total funds carried forward	13	993,571	7,825	1,001,396	643,334

The accounts have been prepared on the basis that all operations are continuing.

The statement of financial activities contains all recognised gains and losses for the year.


Movements in funds can be found in note 13.

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**BALANCE SHEET
AS AT 31 MARCH 2020**

	Notes	Total 2020 £	Total 2019 £
Fixed assets			
Tangible assets	9	8,940	1,643
Investments	10	35	35
Total fixed assets		8,975	1,678
Current assets			
Debtors	11	276,360	225,198
Cash at bank and in hand		890,357	496,981
Total current assets		1,166,717	722,179
Liabilities			
Creditors: Amounts falling due within one year	12	(174,296)	(80,523)
Net current assets		992,421	641,656
Net assets	14	1,001,396	643,334
The funds of the charity:			
Restricted income funds	13	7,825	-
Unrestricted funds	13	993,571	643,334
Total funds		1,001,396	643,334

Approved by the Trustees on 08 September 2020 and signed on their behalf by:



Mr William Samuel Hugh Laidlaw
Trustee

Company number: 03465914 (England and Wales)

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020**

		2020	2019
	Notes	£	£
Cash flows from operating activities:			
Net cash provided by / (used in) operating activities	15	402,505	(40,377)
Cash flows from investing activities:			
Purchase of fixed assets		(9,129)	-
Purchase of investments		-	(35)
Net cash (used in) investing activities		(9,129)	(35)
Change in cash & cash equivalents in the reporting period		393,376	(40,412)
Cash & cash equivalents at the beginning of the reporting period		496,981	537,393
Cash & cash equivalents at the end of the reporting period		890,357	496,981

The only cash and cash equivalents are amounts held as bank balances.

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies

1.1 Statutory information

The Council for Industry and Higher Education is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address and principal place of business is Studio 10, Tiger House, Burton Street, London, WC1H 9BY.

1.2 Accounting convention

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The Charity constitutes a public benefit entity as defined by FRS102.

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

The financial statements have been prepared under the historical cost convention.

1.3 Going concern

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

1.4 Income

Income from investments and donations have been accounted for when receivable. Contractual income is recorded when receivable.

Grants and donations are recognised once entitlement and value have been confirmed in writing.

Grants and donations that are subject to donor imposed conditions that specify the time period in which the expenditure of resources can take place are accounted for as deferred income and recognised as a liability until the relevant accounting period in which to expend the resource. Grants and donations without such pre-conditions are not deferred, even if the resources are received in advance of the expenditure on the activity funded by the grant or donation.

Membership income is recognised in full when receivable as it is not linked to the giving of future benefits.

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1.5 Expenditure and irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Grants payable are payments made to third parties in furtherance of the charitable objectives of the Charity. Grants payable are accounted for when either the recipient has a reasonable expectation that they will receive the grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and the condition attaching to the grant is outside the control of the Trustees.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.5.1 Cost of raising funds

The costs of raising funds are those costs attributable to generating income for the Charity and include salary and salary related items.

1.5.2 Charitable activities

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include costs of administration, IT support, repairs and maintenance costs, etc which supports the Charity's activities. All support costs are deemed to relate to the charitable activities of the Charity.

1.5.3 Governance

This represents all costs involving public accountability of the Charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and constitutional requirements together with attributable support costs. They are included as a subset of support costs and allocated to other activities in the same manner.

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1.6 Tangible fixed assets

The cost of tangible fixed assets is their purchase cost together with any incidental costs of acquisition. The amount at which assets are capitalised has been set at £1,000 by the Charity. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets by equal annual instalments over their expected useful lives. The depreciation rates applied are:

	2020	2019
Fixtures, fittings and equipment: -	25%	25%

1.7 Investment in joint ventures

Investments in jointly controlled entities are accounted for in accordance with the cost model and are recorded at cost less impairment.

1.8 Financial Instruments

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

Financial assets are recognised in the Charity's statement of financial position when the Charity becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

1.8.1 Basic financial instruments

Basic financial instruments, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

1.8.2 Other financial instruments

The Charity currently has no non-basic financial assets

1.9 Pension costs

Pension costs relate to employer's contributions towards the personal pension fund of employees of the Charity. These contributions are charged to the income and expenditure account as they become payable.

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1.10 Funds

1.10.1 General funds

General funds are donations and other incoming resources receivable or generated for the objects of the Charity without specified purpose.

1.10.2 Restricted funds

Restricted funds are specifically donated to the Charity where the donor has specified they be used for the benefit of a specific project or for a particular administrative cost.

1.11 Operating leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight-line basis over the term of the relevant lease except where other more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

2. a) Donations and legacies (current year)

	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Donations and legacies	614,000	-	614,000	704,000
Grants	10,000	1,941,040	1,951,040	902,435
Other	-	-	-	407
	<u>624,000</u>	<u>1,941,040</u>	<u>2,565,040</u>	<u>1,606,842</u>

2. b) Donations and legacies (prior year)

	Unrestricted Funds £	Restricted Funds £	2019 Total £
Donations and legacies	704,000	-	704,000
Grants	412,400	490,035	902,435
Other	407	-	407
	<u>1,116,807</u>	<u>490,035</u>	<u>1,606,842</u>

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

3. Investment income

	Restricted Funds £	Unrestricted Funds £	2020 Total £	2019 Total £
Bank interest	-	272	272	159

4. a) Expenditure (current year)

	Staff costs £	Direct costs £	Support costs (note 5) £	Total 2020 £	Total 2019 £
Raising funds					
Fundraising costs	86,861	-	39,067	125,928	199,808
Charitable activities					
Research and dissemination	370,745	1,171,422	174,299	1,716,466	1,111,307
Member services	177,351	100,356	87,149	364,856	360,931
	<u>634,957</u>	<u>1,271,778</u>	<u>300,515</u>	<u>2,207,250</u>	<u>1,672,046</u>

4. b) Expenditure (prior year)

	Staff costs £	Direct costs £	Support costs (note 5) £	Total 2019 £
Raising funds				
Fundraising costs	143,718	-	56,090	199,808
Charitable activities				
Research and dissemination	383,411	578,260	149,636	1,111,307
Member services	259,611	-	101,320	360,931
	<u>786,740</u>	<u>578,260</u>	<u>307,046</u>	<u>1,672,046</u>

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

5. Support costs

	2020 £	2019 £
Computer costs	43,377	27,846
General office costs	20,945	18,640
Travel	12,406	10,080
Employee costs	4,448	731
Rent, rates and utilities	137,139	135,564
Communications	6,506	18,549
Accountancy	36,658	44,391
Consultancy fees	4,222	7,839
Professional fees	12,969	23,297
Repairs and renewals	117	3,464
Bank charges	751	806
Depreciation	1,832	1,972
Subscriptions	10,445	5,407
Governance costs – Auditor’s remuneration	8,700	8,460
	<u>300,515</u>	<u>307,046</u>

6. Net income/(expenditure)

	2020 £	2019 £
Net income/(expenditure) is stated after charging:		
Auditor’s remuneration – current year	7,400	7,200
Auditor’s remuneration - prior year under accrual	-	250
Depreciation – owned assets	1,832	1,972
	<u>9,232</u>	<u>9,422</u>

7. Staff costs

	2020 £	2019 £
Wages and Salaries	564,644	687,769
Social security costs	48,335	71,724
Pension costs	20,365	25,761
Other staff costs	1,613	1,486
	<u>634,957</u>	<u>786,740</u>

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

Staff Costs (continued)

The average monthly number of employees during the year was as follows:

	2020	2019
Average head count	<u>9</u>	<u>13</u>

The number of employees whose emoluments exceeded £60,000, excluding employer national insurance and employer pension contributions within the following bands was:

	2020	2019
£70,000 - £80,000	-	1
£90,000 - £100,000	-	1
£110,000 - £120,000	-	1
£120,000 - £130,000	<u>1</u>	<u>-</u>
	<u>1</u>	<u>3</u>

The Trustees consider the key management personnel to be all the Trustees, CEO, Head of Operations and Head of Policy and Engagement. Total remuneration including employer pension contributions and employer national insurance of these people for the year ended 31 March 2020 was £212,350 (2019: £246,778).

8. Transactions with Trustees

In the year to 31 March 2020, no Trustees received remuneration (2019: nil) but expenses were reimbursed £1,109 to 2 Trustees (2019: nil).

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

9. Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
As at 1 April 2019	18,535
Additions	9,129
As at 31 March 2020	<u>27,664</u>
Depreciation	
As at 1 April 2019	16,892
Charge for the year	1,832
As at 31 March 2020	<u>18,724</u>
Net book value	
As at 31 March 2020	<u>8,940</u>
As at 31 March 2019	<u>1,643</u>

All of the assets above are used for charitable purposes.

10. Investments

	£
Cost	
As at 1 April 2019	35
Additions	-
As at 31 March 2020	<u>35</u>
Net book value	
As at 31 March 2020	<u>35</u>
As at 31 March 2019	<u>35</u>

In July 2017, The Charity subscribed for a 36.80% holding in a new venture company called Placer Ltd (Company No. 10803538). The Charity holds 3,500 ordinary shares of £0.01 each in Placer Ltd.

Placer Ltd's principal activity is to develop applications for the collaboration between universities and businesses.

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

11. Debtors

	2020	2019
	£	£
Donations receivable	195,000	60,000
Prepayments and accrued income	81,360	165,198
	<u>276,360</u>	<u>225,198</u>

12. Creditors

	2020	2019
	£	£
Trade creditors	140,226	18,393
Social security and other taxes	19,070	18,130
Accruals and deferred income	15,000	44,000
	<u>174,296</u>	<u>80,523</u>

13. a) Statement of funds (current year)

	As at 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Unrestricted funds					
General fund	643,334	624,272	(274,035)	-	993,571
Restricted funds					
Innovation Brokerage	-	992,820	(987,347)	-	5,473
Research England	-	847,470	(843,862)	-	3,608
Business Motivation Survey	-	80,000	(80,000)	-	-
KE Concordat	-	20,750	(22,006)	-	(1,256)
	<u>-</u>	<u>1,941,040</u>	<u>(1,933,215)</u>	<u>-</u>	<u>7,825</u>
Total funds	643,334	2,597,812	(2,207,250)	-	1,001,396

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

Transfers between funds represent the allocation of unrestricted funds to a project that have been partially funded by restricted donations.

Restricted funds have been set up for the following purposes.

Innovation brokerage: an intelligent brokerage tool that has been created to improve the ease with which university-business collaboration can be enabled and maintained.

Talent 2030 is a national campaign seeking to grow the numbers of students wishing to study and work in the engineering and manufacturing sectors, with particular focus on encouraging girls in schools to address the shortage of professional female engineers in the UK.

Business Motivations Survey – NCUB has been funded by Research England to build a new baseline dataset on the drivers and motivations for universities to work with universities. NCUB is working with a research team at the University to gather the data.

KE Concordat – NCUB has been funded by Research England to support the university sector implement a new concordat for Knowledge Exchange. NCUB has developed a new website portal to raise awareness, share good practice and collate concordat statements. The Knowledge Exchange Concordat project runs across two financial years and due to timing of invoicing there was a small deficit at the end of 19/20 but this will be offset by funding received in 20/21

Talent 2050: is a programme of work examining key issues affecting the sector's approaches to education and employability between now and 2050. It has produced a series of report and rapid evidence assessments. It has been supported by Barclays, Pearson and NATS.

Research England: supports the work of the NCUB to promote, showcase and support university-business collaboration.

13. b) Statement of funds (prior year)

	As at 1 April 2018 £	Income £	Expenditure £	Transfers £	At 31 March 2019 £
Unrestricted funds					
General fund	567,335	1,116,966	(1,029,902)	(11,065)	643,334
Restricted funds					
Innovation Brokerage	59,847	388,000	(449,969)	2,122	-
Talent 2030	-	26,000	(28,574)	2,574	-
Talent 2050	-	39,000	(45,369)	6,369	-
Smart Specialisation - Hub	81,197	37,035	(118,232)	-	-
	<u>141,044</u>	<u>490,035</u>	<u>(642,144)</u>	<u>11,065</u>	<u>-</u>
Total funds	708,379	1,607,001	(1,672,046)	-	643,334

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

14. a) Analysis of net assets between funds (current year)

	Restricted funds	Unrestricted funds	Total 2020	Total 2019
	£	£	£	£
Fixed assets	-	8,975	8,975	1,678
Current assets	7,825	1,158,892	1,166,717	722,179
Creditors due within one year	-	(174,296)	(174,296)	(80,523)
	<u>7,825</u>	<u>993,571</u>	<u>1,001,396</u>	<u>643,334</u>

14. b) Analysis of net assets between funds (prior year)

	Restricted funds	Unrestricted funds	Total 2019	Total 2018
	£	£	£	£
Tangible assets	-	1,678	1,678	3,615
Current assets	-	722,179	722,179	840,668
Creditors due within one year	-	(80,523)	(80,523)	(145,904)
	<u>-</u>	<u>643,334</u>	<u>643,334</u>	<u>708,379</u>

15. Reconciliation of net income/expenditure to net cash flows from operating activities

	Total 2020	Total 2019
	£	£
Net movement in funds	358,062	(65,045)
Add back depreciation charge	1,832	1,972
(Decrease)/Increase in debtors	(51,162)	88,077
Increase/(Decrease) in creditors	93,773	(65,381)
Net cash inflow from operating activities	<u>402,505</u>	<u>(40,377)</u>

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

16. Related party transactions

During the year there were no related party transactions.

17. Company status

The company is limited by guarantee, not having a share capital. In the event of winding up the company's members have agreed to contribute an amount of £1.

At 31 March 2020 the total of such guarantees was £9 (2019: £7).

18. Contingent lease obligations

The following operating leases are committed to be paid within the 5-year life of the lease.

	2020 £	2019 £
Land and buildings		
Expiring within one year	96,500	115,800
Expiring between one and five years	-	96,500
	<u>96,500</u>	<u>212,300</u>

THE COUNCIL FOR INDUSTRY AND HIGHER EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

19. Comparative Information

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted funds £	Total funds 2019 £
Income and endowments from:				
Donations and legacies	2	1,116,807	490,035	1,606,842
Investments	3	159	-	159
Total income		1,116,966	490,035	1,607,001
Expenditure on:				
Raising funds		199,808	-	199,808
Charitable activities		830,094	642,144	1,472,238
Total resources expended	4	1,029,902	642,144	1,672,046
Net expenditure)	6	87,064	(152,109)	(65,045)
Transfers between funds	13	(11,065)	11,065	-
Net movement in funds		75,999	(141,044)	(65,045)
Total funds brought forward		567,335	141,044	708,379
Total funds carried forward	13	643,334	-	643,334