

Charity Registration No. 1130760

Company Registration No. 06886359 (England and Wales)

EDUCATION AND EMPLOYERS TASKFORCE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

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EDUCATION AND EMPLOYERS TASKFORCE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr Kenneth Bristow Mr William Butler-Adams Mr David Cruickshank Mr Peter Dart Dame Joan McVittie (Air Vice Marshal Retired) Ms Margaret Elaine West Professor Sir Steven Smith Mrs Jennifer Taylor
Employment committee	The committee continues to be chaired by Will Butler-Adams OBE
Chief executive	Mr Nick Chambers
Charity number	1130760
Company number	06886359
Registered office and Principal office	Quantum House Red Lion Court London England EC4A 3EB
Auditor	RSM UK Audit LLP Hanover House 18 Mount Ephraim Road Tunbridge Wells Kent TN1 1ED
Bankers	The Cooperative Bank PO Box 101 Balloon Street Manchester M60 4EP
Solicitors	Freshfields Bruckhaus Deringer 65 Fleet Street London EC4Y 1HS

EDUCATION AND EMPLOYERS TASKFORCE

CONTENTS

	Page
Trustees' report	1 - 5
Statement of trustees' responsibilities	6
Independent auditor's report	7 - 8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 23

EDUCATION AND EMPLOYERS TASKFORCE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

The trustees present their report and financial statements for the year ended 31 March 2017.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

Background, vision and objectives

Background

The Taskforce was established in 2009 by a group of business leaders in collaboration with education leaders and Government in order to better prepare young people for adult life through more effective engagement between education and employers. Its aim is that every primary and secondary school and college should have an effective relationship with employers.

Vision

"Providing young people with the inspiration, motivation, knowledge, skills and opportunities they need to help them achieve their potential, through ensuring that every school and college has an effective partnership with employers."

To deliver the vision the Taskforce has set itself the following specific aims:

- To help ensure that all young people achieve their potential and leave education with the relevant skills, knowledge, aspirations and motivation to enter further learning and the workforce.
- To contribute to ensuring that the UK's future workforce is equipped with the skills employers seek and thereby to help employers realise benefits from their involvement in education.
- To provide clarity, simplicity and efficiency in linking education to employers.
- To support school and colleges in inspiring, guiding and motivating young people about the world of work.
- To inspire and motivate employers to:
 - provide all young people with first-hand knowledge and experiences through high quality work-related activities and curriculum enrichment.
 - raise young people's confidence and aspirations.
 - provide additional support to schools which operate in particularly challenging circumstances.
 - ensure that young people are enabled to make better informed choices about their career options through links with employers.

Structure, governance and management

The charity is a company limited by guarantee and is governed by its Articles of Association dated 23 April 2009.

Trustees

The Trustees are leaders from the world of employment and education. They are ambassadors for the charity, using their personal influence to help it fulfil its objectives. They are accountable for the Taskforce as a Charity; they ensure it complies with charity law and they oversee the strategic direction of the Taskforce to ensure its maximum effectiveness. They appoint the Senior management Team and oversee its performance including working in collaboration with the partner organisations. They review the business plan, monitor its implementation and are responsible for finances including fundraising. The Trustees have set up an Employment Committee to direct its specific responsibilities as an employer. The charity considers the Board of Trustees, the Chief Executive, the Director of Operations and Programmes and the Director of Governance Programmes as their key management personnel.

There are policies and procedures in place for the induction of new Trustees.

EDUCATION AND EMPLOYERS TASKFORCE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

Partnerships

The Charity works in collaboration with leading organisations representing education, employment, government and intermediaries, approved by the Trustees, the Partnerships. Their role is essential to achieving the vision and by coordinating their activities they will provide greater clarity for schools and colleges and minimise unnecessary duplication for employers.

Executive team

An executive team is led by the Chief Executive who manages daily operations including finances and strategy as directed by the Trustees. He is responsible for liaising with Trustees, partners and all other stakeholders. He reports directly to the Trustees who are responsible for monitoring and assessing his performance and that of the team.

Remuneration policy

The Trustees have a remuneration committee which sets the remuneration levels for the senior management team. In setting the remuneration the committee has regard to the need for the charity to attract and retain highly effective people who can further the aims of the organisation without incurring any excessive expense.

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives (as set out above) and in planning future activities and setting appropriate policies for the year.

Achievements and performance

During the year, the Charity has reinforced its centre stage role in the area of employer engagement in education, with a research programme attracting interest from policy makers and practitioners around the world and a delivery programme under the heading Inspiring the Future.

Funding has been secured from the Skills Funding Agency and the Department for Education. There has also been continuing funding from the Bank of America Merrill Lynch and from a range of other sources. Through targeted campaigns, notably relating to gender, school governance and apprenticeships, there has been very significant growth in the volume of school and employer participation in delivery enabled by the charity. Research consultancy income has also been healthy.

Research

The Charity's research work is now being heavily cited in the sphere of education and employer engagement. Several publications are now in the public domain which provide evidence of the impact of career advice, guidance and information on young people's labour market outcome.

We have published a number of research outputs during the year, including:

Indicators of successful transitions: Teenage attitudes and experiences related to the world of work.- Funded project by the Commercial Education Trust

The impact of career development activities on PISA mathematics tests: An analysis of data from the Organisation for Economic Co-operation and Development (OECD) - internal project

Contemporary transitions: Young Britons reflect on life after secondary school and college - funded project by Barclays LifeSkills

We now have over 100 hours of online videos which presents the findings of our research throughout these years. This also created an opportunity for us to set up a Podcast channel.

Over 2016/17, we have initiated a new partnership with UCL Institute of Education Post-14 Centre for Research. This partnership is formed to create a new series of seminars in the field of career education, guidance and advice, education system and challenges, young people and future labour market and other relevant topics to our agenda.

EDUCATION AND EMPLOYERS TASKFORCE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

Volunteering programmes

The charity runs a number of programmes enabling volunteers from the world of work to support young people either through direct engagement under Inspiring the Future, Inspiring Women and Primary Futures; or as governors / trustees under Inspiring Governance and Inspiring FE Governance. Ultimately, we aim to enable thousands of state schools and colleges across the country to connect and create partnerships with individuals and employers from all sectors and professions through these programmes supporting the academic success and career progression of young people.

Engaging with Young People

Inspiring the Future and our other volunteering programmes engaging directly with young people are based on an online mechanism for connecting schools with local employers and volunteers willing to offer time, free of charge, to both broaden horizons and raise aspirations of young people. Activities cover career insight talks within assembly or classroom settings, mock interviews, CV workshops and 'speed networking'. Supported by our lead corporate supporter, Bank of America Merrill Lynch, the Inspiring Women campaign utilises the same basis as Inspiring the Future but with a focus on breaking down gender stereotypes and inspiring girls and young women through connecting them to female role models from the world of work.

Under the campaign we have run a number of high profile events focusing on particular economic sectors and launched the video Error in formula ->#redrawthebalance<- which has since won a number of awards and attracted global attention.

In partnership with the National Association of Head Teachers, the Primary Futures campaign supports more volunteers from the world of work going into primary schools. Activities mirror some of those at secondary level but with a greater focus on developing the links between learning and work and utilising the 'What's My Line' format which has been highly successful.

By the year end the online platform, through these programmes, had 11,213 teachers or school staff registered representing 6,428 state schools and colleges of which almost 50% were primary schools. Teachers had sent over 170,000 messages to a volunteer pool of 35,265 enabling 3,199 self-service events to occur and many more partnerships and connections to happen supporting employer engagement offline. The charity also supports, from a bespoke perspective, a number of higher profile events and employer engagement activities which this year included events with the Crafts Council, UBS, Unilever, L'Oréal and Airbus. In addition, through our partnership with Bank of America Merrill Lynch we run a number of in-house events with the bank's staff.

In addition to these programmes the charity secured a contract from the Education & Skills Funding Agency to raise awareness of apprenticeships in schools and colleges across London and South of England. The Apprenticeship Knowledge and Support Project provides free talks and workshops for schools for Year 10 to Year 13 students, raising awareness of apprenticeships and supporting students to register and apply for apprenticeships. The contract was awarded for the period to July 2017 with an option of an additional year to July 2018 and is delivered by a team of staff and in partnership with training network providers across the region.

Governance Programmes

Following an initial expansion of the online technology enabling schools to connect with volunteers to become school governors, the charity successfully won a bid from the Department of Education to run Inspiring Governance, a four-year contract in partnership with the National Governance Association. During the financial year steps were taken to recruit new staff including a Director of Inspiring Governance and regional managers.

Inspiring Governance was officially launched in November 2016 at Bank of America Merrill Lynch by Lord Nash, then Under Secretary of State for Schools. The new Inspiring Governance service provides free expert bespoke support for volunteers and governing boards as well as for employers wanting to run governance volunteering programmes for their staff. As part of the service the National Governance Association is providing free support and expert advice for newly appointed governors/trustees via a dedicated helpline, induction materials and online guidance.

EDUCATION AND EMPLOYERS TASKFORCE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

In February 2017, we were also successful in securing a contract from the Education and Training Foundation to provide a similar service for Further Education Institutions.

The charity is hugely grateful to the thousands of employers, schools, colleges, teachers, volunteers and partner bodies which have underpinned the successful growth of our volunteering programmes over the last year.

Website

Full details of the Charities activities are available on the website www.educationandemployers.org

Financial review

The total income of the Taskforce was £1,584,447 (2016: £955,677) and the Taskforce recorded a surplus of £235,109 (2016: deficit of £131,407).

In-kind donations, calculated at a value of £27,050 (2016: £63,000), were received in the year. The Trustees are grateful to the support given to Education and Employers by many individuals and organisations including: University of Warwick, Institute of Education, Bank of America Merrill Lynch, Deloitte, NAHT, Freshfields, Ordnance Survey, and WPP.

We are very grateful to all the organisations that have supported us over the year past.

Funding

The income of the Charity has been bolstered in the year by the winning of a major supply contract for the Department for Education. Under this contract the Charity will further develop and use the technology developed under the Inspiring the Future programme to match volunteer school governors with suitable vacancies. This is a major undertaking for the charity which will involve considerable development of our technology platform as well as recruiting regionally based staff to operate in areas of the country where school governors have in the past been difficult to recruit. As the revenue from the contract was weighted to the early period it is not expected that the level of surplus experienced in the current period will be maintained.

As well as the Governance contract with The Department for Education the Charity continued to receive funding from The Education & Skills Funding Agency relating to recruiting apprentices and from Bank of America Merrill Lynch. As reported in last years Trustees report the range of financial support has been broadened over recent years enabling the Charity to expand operations and deliver increased levels of services.

Demand for consultancy from the Charity research team has also been high with the team working at maximum capacity through the year.

At the year ends, we have funding for over three months with a committed programme of action responding to partners. We continue to work to secure medium and longer term funding, where appropriate in partnership with others, but always retaining our guiding principles that we are independent and that our services to schools and employers are free.

EDUCATION AND EMPLOYERS TASKFORCE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

Reserves policy

The total reserves held by the charity at the year end are £622,556. This is made up of £562,782 restricted, £19,425 designated and £40,349 general reserves.

The value of the restricted, unrestricted and designated reserves are monitored by the charity and reviewed annually when the statutory accounts are presented for approval.

Principle risks and uncertainties

Management and the Board of Trustees continuously monitor the major risks to which the charity is subject, namely continuation of its funding and its reputation.

- Funding. Funding is regularly and closely reviewed by the Trustees, with the strategy to maintain medium term funding. The charity remains small, low cost and flexible and, in the event of a sudden loss of funding, an orderly close-down could be affected.
- Reputation. The Taskforce has taken centre stage in the area of education and employer engagement; management and Trustees recognise that the future of the Taskforce depends on maintaining this position. To this end, all programmes and events that the Taskforce runs are professionally managed and all research work the Taskforce sponsors is carried out and reviewed in a thorough, professional and independent manner.

Plans for future periods

Our guiding principle remains to make it simple and free for employers and their employees in the UK to connect with schools, increasing the chances of millions of young people to succeed in the transition into working life, by giving them access to better information, connections and experience relevant to their emerging career ambitions. In particular, we look to increase the number of volunteers and employers registered, the number of engagement events, the number of apprenticeships, and to see the systematic engagement of primary schools with their local economic communities. We will continue to operate a research arm.

At the year ends, we have funding for over three months with a committed programme of action responding to partners. Since the end of the accounting period we have secured additional funding, a considerable element of which will continue for several years. We continue to work to secure medium and longer term funding, where appropriate in partnership with others, but always retaining our guiding principles that we are independent and that our services to schools and employers are free.

Auditor

RSM UK Audit LLP is deemed to be re-appointed under section 487(2) of the Companies Act 2006.

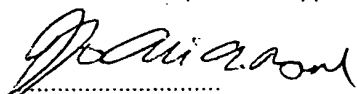
Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small company's exemption.

The trustees' report was approved by the Board of Trustees.



Mr David Cruickshank

Dated: 20 December 2017

EDUCATION AND EMPLOYERS TASKFORCE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2017

The trustees, who are also the directors of Education and Employers Taskforce for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity 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 charity and enable them to ensure that the accounts 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.

EDUCATION AND EMPLOYERS TASKFORCE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF EDUCATION AND EMPLOYERS TASKFORCE

Opinion on financial statements

We have audited the financial statements of Education and Employers Taskforce ('the charitable company') for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 2017 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and, based on the work undertaken in the course of our audit, the Trustees' 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 any material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where 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 exemption in preparing the Trustees' Report.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 6, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

EDUCATION AND EMPLOYERS TASKFORCE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF EDUCATION AND EMPLOYERS TASKFORCE

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.

RSM UK Audit LLP

James Saunders (Senior Statutory Auditor)

for and on behalf of RSM UK Audit LLP, Statutory Auditor

20/12/2017

Chartered Accountants
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1ED

EDUCATION AND EMPLOYERS TASKFORCE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Income from:</u>					
Donations and legacies	3	30,697	344,242	374,939	954,453
Charitable activities	4	-	1,208,468	1,208,468	-
Investments	5	1,040	-	1,040	1,224
Total income		31,737	1,552,710	1,584,447	955,677
<u>Expenditure on:</u>					
<u>Charitable activities</u>					
Research	6	2,301	149,160	151,461	107,920
Inspiring the future	6	20,715	1,177,162	1,197,877	979,164
Total charitable expenditure		23,016	1,326,322	1,349,338	1,087,084
Net income/(expenditure) for the year/ Net movement in funds		8,721	226,388	235,109	(131,407)
Fund balances at 1 April 2016		51,053	336,394	387,447	518,854
Fund balances at 31 March 2017		59,774	562,782	622,556	387,447

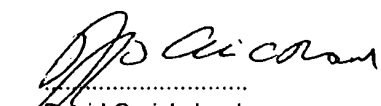
EDUCATION AND EMPLOYERS TASKFORCE

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	11		4,468		10,596
Current assets					
Debtors	12	148,478		206,648	
Cash at bank and in hand		982,036		292,199	
		1,130,514		498,847	
Creditors: amounts falling due within one year	13	(512,426)		(121,996)	
Net current assets			618,088		376,851
Total assets less current liabilities			622,556		387,447
Income funds					
Restricted funds	17		562,782		336,394
<u>Unrestricted funds</u>					
Designated funds	18	19,425		19,425	
General unrestricted funds		40,349		31,628	
			59,774		51,053
			622,556		387,447

The financial statements were approved by the Trustees on 20 June 2017


 David Cruickshank
 Trustee

Company Registration No. 06886359

EDUCATION AND EMPLOYERS TASKFORCE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	22		692,472		(274,755)
Investing activities					
Purchase of tangible fixed assets		(3,675)		(1,692)	
Interest receivable		1,040		1,224	
Net cash used in investing activities			(2,635)		(468)
Net increase/(decrease) in cash and cash equivalents			689,837		(275,223)
Cash and cash equivalents at beginning of year			292,199		567,422
Cash and cash equivalents at end of year			982,036		292,199

EDUCATION AND EMPLOYERS TASKFORCE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Charity information

Education & Employers Taskforce is a private company limited by guarantee incorporated in England and Wales. The registered office is Quantum House, Red Lion Court, London, EC4A 3EB, England.

In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per voting member of the charity.

The trust's objectives and aims are disclosed in the Trustees' and Directors' Report.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the requirements of the Companies Act 2006 and under the historical cost convention. The financial statements have also been prepared in accordance with the accounting policies set out in more detail below, to comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with The Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014 (the FRS 102 Charities SORP 2015).

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

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

1.2 Going concern

The Trustees have prepared the accounts on a going concern basis. It is the Trustees' opinion that the Taskforce has sufficient income by way of grants and donations, from a variety of entities which secures their funding for the next twelve months. The Trustees and management continue to work to secure medium and longer term funding, where appropriate in partnership with others, but always retaining the guiding principles of independence and that services are free.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of a workstrand.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations and Legacies, which include grants from non governmental organisations (NGOs) are recognised where there is entitlement, probability of receipt and the amount can be measured reliably.

Investment income is recognised on a receivable basis.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

EDUCATION AND EMPLOYERS TASKFORCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

Accounting for donations

Donations are accounted for against the workstream for which they have been provided and in the year in which work has been carried out.

Management has made an estimate of the value of donations in kind, and, where the amount is material, the donor has verified the estimate.

Where donors have specifically stated which workstrand their donations are to be used for, this has been treated as restricted income. Where donations have been made that can be used at the discretion of the Taskforce, then this has been treated as unrestricted income.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

Costs of raising funds comprise the costs associated with attracting donations and legacies.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with the general running of the charity and include the operations of the Board and addressing constitutional, audit and other statutory requirements.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis.

Allocation of support costs

The costs of functions, which support more than one of the charity's activities, have been allocated to those activities based on time spent in furtherance on the charity's objectives.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Furniture, fittings and equipment	20% & 33% straight line
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It is the charity's policy not to capitalise items costing less than £1,000.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

EDUCATION AND EMPLOYERS TASKFORCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

1.9 Financial instruments

The charitable company applies 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 instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors 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. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The Taskforce is a registered charitable company and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless these costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any used holiday entitlement is recognised in the period in which the employee's services are received where deemed material by the Trustees.

1.12 Pension

The charity operates a defined contribution scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year. The costs of the defined contributions are charged to each activity based on the methodology in note 5.

EDUCATION AND EMPLOYERS TASKFORCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

1.13 Operating lease

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Gifts in kind

Gifts in kind are measured at their fair value. Calculation of the fair value of each gift in kind received by the charity involves a degree of judgement to be made, which includes looking at the market value of the gift in kind at the date of receipt, and what would be expected to be paid at an arms length transaction.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Grants	30,697	317,192	347,889	891,453
Pro bono funding	-	27,050	27,050	63,000
	<u>30,697</u>	<u>344,242</u>	<u>374,939</u>	<u>954,453</u>
For the year ended 31 March 2016	<u>79,963</u>	<u>874,490</u>		<u>954,453</u>

EDUCATION AND EMPLOYERS TASKFORCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

4 Charitable activities

	2017	2016
	£	£
Inspiring the Future	1,168,851	-
Research	39,617	-
	<u>1,208,468</u>	<u>-</u>

Government grants from the Department for Education and Education and Skills Funding Agency, amounting to £1,137,358 (2016: £nil) were received during the year, in respect of the 'Inspiring the Future' project. There were no unfulfilled conditions to government grants recognised in the year (2016: none).

5 Investments

	2017	2016
	£	£
Interest receivable	<u>1,040</u>	<u>1,224</u>

EDUCATION AND EMPLOYERS TASKFORCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

6 Charitable activities

	Research £	Inspiring the future £	Total 2017 £	Total 2016 £
Staff costs	84,921	568,474	653,395	646,664
Depreciation and impairment	980	8,823	9,803	8,988
Pro Bono	2,705	24,345	27,050	63,000
	<u>88,606</u>	<u>601,642</u>	<u>690,248</u>	<u>718,652</u>
Share of support costs (see note 7)	61,534	584,343	645,877	348,512
Share of governance costs (see note 7)	1,321	11,892	13,213	19,920
	<u>151,461</u>	<u>1,197,877</u>	<u>1,349,338</u>	<u>1,087,084</u>
Analysis by fund				
Unrestricted funds	2,301	20,715	23,016	
Restricted funds	149,160	1,177,162	1,326,322	
	<u>151,461</u>	<u>1,197,877</u>	<u>1,349,338</u>	
For the year ended 31 March 2016				
Unrestricted funds	3,391	30,517		33,908
Restricted funds	104,529	948,647		1,053,176
	<u>107,920</u>	<u>979,164</u>		<u>1,087,084</u>

The allocation of staff costs is based on time spent on each activity.

EDUCATION AND EMPLOYERS TASKFORCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

7 Support costs

	Support costs £	Governance costs £	2017 £	2016 £
Staff costs	145,140	-	145,140	22,771
Other costs	500,737	-	500,737	325,741
Audit fees	-	8,250	8,250	9,900
Legal and professional	-	4,963	4,963	9,445
Staff personal development fund	-	-	-	575
	<u>645,877</u>	<u>13,213</u>	<u>659,090</u>	<u>368,432</u>
Analysed between				
Charitable activities	<u>645,877</u>	<u>13,213</u>	<u>659,090</u>	<u>368,432</u>

Governance costs are allocated in proportion to the direct costs incurred in respect of each activity.

8 Net movement in funds

	2017 £	2016 £
Net movement in funds is stated after charging/(crediting)		
Fees payable to the charity's auditor for the audit of the charity's financial statements	8,250	9,900
Depreciation of owned tangible fixed assets	9,803	8,988
Operating lease charges	<u>56,712</u>	<u>47,319</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or reimbursed expenses from the charity during the year (2016: £nil).

EDUCATION AND EMPLOYERS TASKFORCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

10 Employees

Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Research	4	3
Inspiring the Future	14	7
Other support staff	4	5
	<u>22</u>	<u>15</u>

Employment costs

	2017 £	2016 £
Wages and salaries	678,339	561,027
Social security costs	71,661	60,090
Other pension costs	23,802	25,547
	<u>773,802</u>	<u>646,664</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2017 Number	2016 Number
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	1
	<u>3</u>	<u>3</u>

The charity considers the Board of Trustees, the Taskforce Director, the Research and Policy Director and ITF senior management as their key management personnel. The total employment benefits (including employer's national insurance contributions and employer pension contributions) of key management personnel was £225,660 (2016: £261,889).

The charity offers all employees a season ticket loan which is repayable by employees within the year from the date the loan is issued.

EDUCATION AND EMPLOYERS TASKFORCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

11 Tangible fixed assets

	Furniture, fittings and equipment £
Cost	
At 1 April 2016	33,916
Additions	3,675
At 31 March 2017	37,591
Depreciation and impairment	
At 1 April 2016	23,320
Depreciation charged in the year	9,803
At 31 March 2017	33,123
Carrying amount	
At 31 March 2017	4,468
At 31 March 2016	10,596

12 Debtors

	2017 £	2016 £
Amounts falling due within one year:		
Trade debtors	122,636	190,490
Other debtors	9,410	4,449
Prepayments and accrued income	16,432	11,709
	148,478	206,648

13 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	42,465	12,526
Other taxation and social security	199,612	-
Other creditors	3,043	2,772
Accruals and deferred income	267,306	106,698
	512,426	121,996

EDUCATION AND EMPLOYERS TASKFORCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

14 Deferred income

	2017 £	2016 £
Deferred income at 1 April	82,623	82,000
Incoming resources received requiring deferment	245,000	82,623
Release of incoming resources during the year	(82,623)	(82,000)
Deferred income at 31 March	<u>245,000</u>	<u>82,623</u>

Deferred income represents future services relating to identifying and recruiting potential chairs of finance, sponsorship income received for forthcoming conferences, and ongoing maintenance updates relating to the following year.

15 Financial instruments

	2017 £	2016 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	<u>132,046</u>	<u>194,939</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>67,814</u>	<u>39,373</u>

16 Retirement benefit schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to Statement of Financial Activities in respect of defined contribution schemes was £23,082 (2016: £25,547).

At the balance sheet date the charity had total pension commitments outstanding totalling £1,620 (2016: £2,282).

EDUCATION AND EMPLOYERS TASKFORCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

17 Restricted funds

Movement on restricted funds is as follows:

	Balance at 1 April 2016	Movement in funds		Balance at 31 March 2017
	£	Income	Expenditure	£
		£	£	
Research	31,134	168,812	(145,243)	54,703
Inspiring the future	305,260	1,356,848	(1,154,029)	508,079
	<u>336,394</u>	<u>1,525,660</u>	<u>(1,299,272)</u>	<u>562,782</u>

Research fund:

Ensuring the latest seminars and conferences are made available to those who require it.

Inspiring the future fund:

Inspiring the future is a free and easy way for schools, colleges and volunteers from the world of work to connect.

18 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2016	Movement in funds		Balance at 31 March 2017
	£	Income	Expenditure	£
		£	£	
Staff personal development fund	19,425	-	-	19,425
	<u>19,425</u>	<u>-</u>	<u>-</u>	<u>19,425</u>

19 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 March 2017 are represented by:			
Tangible assets	4,468	-	4,468
Current assets/(liabilities)	55,306	562,782	618,088
	<u>59,774</u>	<u>562,782</u>	<u>622,556</u>

EDUCATION AND EMPLOYERS TASKFORCE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

20 Operating lease commitments

Operating lease payments represent rental payables by the charity for land and buildings. Leases are negotiated for an average term of 2 years.

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	52,000	32,000

21 Related party transactions

The Taskforce received services on a pro bono agreement from Deloitte LLP with an aggregate value of £5,850 (2016: £5,000) during the year. David Cruickshank, a trustee, has an interest in this business.

There were no further transactions with related parties to be disclosed under Financial Reporting Standards.

22 Cash generated from operations

	2017 £	2016 £
Surplus/(deficit) for the year	235,109	(131,407)
Adjustments for:		
Interest receivable	(1,040)	(1,224)
Depreciation of tangible fixed assets	9,803	8,988
Movements in working capital:		
Decrease/(increase) in debtors	58,170	(157,673)
Increase in creditors	390,430	6,561
Cash generated from/(absorbed by) operations	692,472	(274,755)