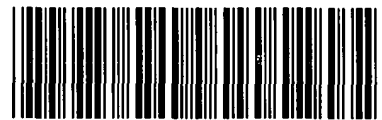


THE SUTTON TRUST
A COMPANY LIMITED BY GUARANTEE
(Company Registration No. 07951541)
(Charity Registration No. 1146244)
REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2022

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THE SUTTON TRUST
FOR THE YEAR ENDED 31 AUGUST 2022

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THE SUTTON TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees, who are also directors for the purposes of company law, are pleased to submit their report together with the audited financial statements of The Sutton Trust ("the Charitable Company", "the Charity" or "the Trust") for the year ended 31 August 2022.

The financial statements comply with the Charities Act 2011, and where relevant, the Charities Act 2022, the Companies Act 2006, the Memorandum and Articles of Association, 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 (FRS 102) (published in October 2019) ("Charities SORP FRS 102").

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS**

Governing Instrument	Memorandum and Articles of Association
Founder	Sir Peter Lampl
Trustees (also the statutory directors of the Charitable Company)	Sir Peter Lampl Tim Bunting Sir Peter Gershon Lady Susan Lampl Professor Louise Richardson Oliver Quick
Executive Chairman	Sir Peter Lampl
Chief Executive	James Turner (until 11/08/2022)
Director of Development	Doug Thomson
Director of Programmes	Laura Bruce (until 01/12/2022)
Director of Innovation	Binda Patel (from 01/09/2022)
Director of Research & Policy	Carl Cullinane
Associate Director of Media & Communications	Hilary Cornwell (until 28/02/2022)
Director of Communications and Public Affairs	Sam Fletcher (from 15/08/2022)
Director of Finance & Operations	Stefanie Kha

THE SUTTON TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS (continued)

Objects of Charitable Company

The Trustees shall hold or apply the capital and income of the Charity for the following objects:

- (i) To advance the education of the public and to improve educational opportunities for young people; and
- (ii) To undertake such charitable purposes or to make charitable donations in such a manner as the Trustees may in their absolute discretion think fit.

**Charitable Company Address
& Registered office**

Millbank Tower, 21-24 Millbank,
London, SW1P 4QP

Website and Social Media

www.suttontrust.com
@suttontrust

Charity Registration Number

1146244

Company Registration Number

07951541

Auditor

Rawlinson & Hunter Audit LLP
Statutory Auditor
Chartered Accountants
Eighth Floor, 6 New Street Square,
New Fetter Lane, London
EC4A 3AQ

Bankers

National Westminster Bank
57 Victoria Street, London,
SW1H 0HN

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

Nationwide Building Society
Kings Park Road
Moulton Park, Northampton
NN3 6NW

Investment Managers

Rathbone Investment Management
8 Finsbury Circus, London,
EC2M 7AZ

J.P. Morgan Bank
60 Victoria Embankment, London
EC4Y 0JP

Solicitors

Bates Wells
10 Queen Street Place, London
EC4R 1BE

THE SUTTON TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

STRATEGIC REPORT

OBJECTIVES & ACTIVITIES

Charitable Aims

The aim of the Sutton Trust is to address educational disadvantage and to promote social mobility – the opportunities open to a young person from a lower income home. High levels of social mobility mean that people from all backgrounds are able to succeed in life and make the most of their talents and aspirations. It is crucial for creating a fairer society, fostering social cohesion and boosting economic growth.

At the Trust, we champion social mobility from birth to the workplace so that all young people have a chance to succeed in life. We particularly focus on widening access to high quality education and employment opportunities through a combination of evidence-led programmes, agenda-setting research and policy influence.

Strategy

The Trust has five focus areas: Early Years, Schools, Apprenticeships, Higher Education and Access to the Workplace.

The Trust has a unique 'do tank' model of research and policy activity allied with practical, on-the-ground programmes. The Trust's programmes focus on highly able, non-privileged students. We have built considerable expertise in this area over the last 25 years and concentrate our support on young people from secondary school age onwards – up to and including those starting their careers – and at key transition points.

The Trust's research and policy work is deliberately wider, recognising a range of access issues at play from early years, through school and college and into university, apprenticeships and employment. The intention is, though, that a substantial proportion of our research and policy work directly informs our programme work, and vice-versa.

Following a large-scale review of the Trust's mission in 2020 and agreeing a bold 10-year vision which sees the Trust significantly expanding the number of young people supported through its programmes and focusses on further strengthening its research and policy function, the Trust has started working on its three-year implementation plan. We have seen the welcome return of some in-person programmes in 2021/22 and steady growth towards our 2030 vision for programme reach.

Significant Activities

Programmes – Our programmes, run in partnership with leading US and UK universities and not-for-profits, have helped almost 50,000 students since the Trust was founded, and reached 12,000 young people in this year.

Innovation – This is a new pillar of work, designed to invest in new activities that tackle specific challenges within the social mobility landscape. Building on the success of Sutton Trust Online, the Innovation team will focus on apprenticeships and school admissions in the first phase of work.

Research & Policy – Our research and policy work aims to shed light on important issues around education inequality and low levels of social mobility. We have published over 250 pieces of research since the Trust was founded in 1997, which have generated significant media and press interest, and have influenced policy on a number of occasions.

Development – The Trust is fortunate to have support from our Founder and Executive Chairman Sir Peter Lampl, a number of individuals on our Strategic Advisory and Development board and in our Fellowship, and from other individuals, corporate supporters and foundations. We are delighted that members of the Sutton Trust alumni community give back to the Trust in a variety of ways.

THE SUTTON TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

OBJECTIVES & ACTIVITIES (continued)

Public Benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit. Furthermore, the Trustees have considered the guidance when planning for future activities and are confident that the Trust's plans meet these requirements.

The Trust works for the public benefit by increasing the educational opportunities available to young people from low- and middle-income homes and by improving and promoting social mobility. Its programme work is particularly targeted at those from socio-economically deprived and non-privileged backgrounds (see pages 4 to 8), and its research and policy work (see pages 9 to 12) is made available to the public via a strong communications agenda, concentrating on broadcast and print journalism, the Trust's website, social media, newsletters and events.

The grant-making policy is published on page 16.

ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD

Programmes

With a record number of over 12,000 beneficiaries supported, our programmes portfolio has continued to grow and strengthen this year. The 2021/22 academic year saw a much-welcomed return to face-to-face delivery for the majority of our programmes, with many now navigating a "hybrid" approach of in-person events and online support for young people and alumni.

Alongside our core suite of programmes, we also launched a number of new initiatives including Pathways Online in Law and Banking, Pathways to Consulting, Opportunity Bursaries alongside Sutton Trust Careers and Careers +, which included a Bloomberg bursaries strand.

Academic Year Summary 2021/22

The Trust have supported record numbers of beneficiaries in the last academic year with highlights including:

- 18,000+ applications to our programmes
- 12,000+ individuals supported - including ~10,000 young people, ~1,800 alumni and ~500 teachers
- This is three times the total beneficiaries and two and a half times the number of young people compared to 2018
- Over 1,100 individuals took part in a Sutton Trust-run work experience and over 350 students attended one of our Pathways conferences
- Our alumni bursary and Pathways to Medicine programmes are the most oversubscribed, with Summer Schools and US Programme both also remaining highly oversubscribed

Strategy Update

The 2021/22 academic year saw the end of the 5-year vision set by BCG in 2018 and this academic year is the final year of delivery plans set in 2020. We are pleased to report we have met all our strategic goals to date, with highlights including:

- 17 programmes running in 2022 compared to 9 in 2018
- Achieved geographic expansion into Scotland, Wales, the northwest, and the northeast of England
- Now offering 3 in 4 applicants a place on a Sutton Trust programme, compared to 1 in 4 in 2018, which is largely due to Sutton Trust Online launching
- Launched digital and alumni programming
- Expanded our partnership base to 30 leading universities in the UK and US and over 100 corporate partners

THE SUTTON TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD (continued)

Programmes (continued)

Impact Update

This year we have worked with the Institute for Employment Studies (IES) to create a Sutton Trust control group from our unsuccessful applicant pool. This group have been matched on grades, wider socio-economic background and importantly for us, for the first time, as they were applicants to our programme, they are somewhat matched for motivation.

The findings show:

- Most notably, Sutton Trust Summer School students are two times more likely to access leading universities than the control group
- University access rates have remained stable for Sutton Trust students across programmes: ~90% go on to enrol to university
- ~40% of students attend a university in the Sutton Trust consortium for their programme, with ~16% enrolling at the university they did their programme with
- Access to Higher Education, in general, is similar amongst Sutton Trust students and the control groups, however Sutton Trust students are more likely to attend leading universities. Sutton Trust Summer School students are overall more likely to attend university than the control groups.
- Students completing the Sutton Trust Pathways programmes are more likely to go on to studying the subjects related to the Pathway they were on, compared to the control groups.
- Sutton Trust students continue to perform above the national average in degree outcomes – over 90% receiving 2:1 and Firsts
- 1 in 3 Pathways to Law students go on to work in the profession

We have also been able to use these control groups in our UCAS Strobe submissions which show uplifts in application rates, offer rates and offer acceptance rates for Sutton Trust students compared to both the Sutton Trust control group and the more generalised UCAS Strobe control group.

Sutton Trust Online (STO)

Sutton Trust Online has continued to grow and develop this year with a focus on increasing engagement with the "STO Core" programme students – those offered digital only. 9,304 students enrolled on the platform of which 5,839 were STO Core students – an increase of 1,658 from 2020/21.

The end of Phase 1 of the project has seen over 22,000 students engage with STO since July 2020 and we are now looking at launching Phase 2 of the project in the 2022/23 academic year. The key aims of which will be to reach 50,000 students across the next three years and to:

- **Broaden the reach** of STO through increasing student sign up
- **Deepen the impact** by increasing student engagement through enhancing university, employer and alumni created content, integrating new technologies and piloting support for two key influencers in students' lives: parents and teachers
- **Better understand what works** in digital programmes through further evaluation of the pilot phase and commissioning evaluation on the second phase

The project has continued to be recognised externally for its impact with a win (category: Extraordinary Impact) and a nomination (category: Best Learning Project) at the Learning Pool Awards.

THE SUTTON TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD (continued)

Programmes (continued)

UK Summer Schools

2,700 students attended a Summer School this year across our 13 partner universities. With the first year of face-to-face programming in three years, we were delighted to welcome so many students across our partner campuses. Notably, the University of St Andrew's has trialed a concurrent face-to-face and a digital programme, which we will evaluate next year. The transition back to face-to-face programming ran relatively smoothly. Universities have reported an increase in welfare support for students due to the impact of coronavirus on mental health and independence of some young people, which we are exploring for future provision. We also had reports of the most academically engaged groups of students that university academics had ever worked with which was a positive sign given the impact of the pandemic on attainment and learning.

Whilst we await evaluation for the year, our immediate exit surveys of students show that:

- 93% would apply to a selective university following the programme – a 17 percentage point increase from the baseline
- 90% improved their skills
- 92% improved their ability to make informed decisions

These statistics are all higher than last year's digital programme.

"Before attending this programme I was unsure of applying to university, but after attending, gaining experience, and learning about new opportunities I am excited to start a future towards the career I dream of doing" – UK Summer School Participant 2022.

Teacher Champions

467 teachers attended one of our Teacher Champions webinars this year, which cover topics such as how to support students in writing personal statements, the broader social mobility context relevant to schools and information on Sutton Trust programmes and activities. This is a decrease on the previous year, which we attribute to a return to in-school teaching and the time pressures currently faced by teachers. Engagement is a key focus for us moving forward in this area and so following teacher feedback we are trialing new sessions that allow for peer-to-peer learning and focus on apprenticeships.

Alongside our programme delivery, we have also developed a Teacher's Guide that has been sent to all 16-18 providers in the UK and are piloting a project which sees alumni visiting target schools in cold spot areas. Both of these projects aim to increase engagement with the Trust amongst target schools we have historically struggled to engage.

US Programme

The US Programme was delivered both in person and virtually in 2022. There was no trip to visit US universities in the summer of 2022 but an in-person residential was held in London where students received targeted support with applying to US colleges, attended virtual tours and attended an event at the US Embassy.

51 students from Cohort 10 (who started the programme in 2021) were successful in gaining a place at a US university this year. The team have supported all students to access visas and to navigate covid requirements to begin their education in the US, rather than studying remotely from the UK.

150 students formed Cohort 11 of the programme. 76 of these have opted to continue to Part 2 of the programme, which sees students supported to apply to US institutions. The 2022/23 programme will launch in the autumn and is aiming to return to face-to-face delivery with some online elements.

THE SUTTON TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD (continued)

Programmes (continued)

Pathways to the Professions

1,106 students took part in a Pathways programme this year, an increase of 134. This is due to the launch of our Pathways Online programmes in Law and Banking which supported roughly 50 students each, and the launch of Pathways to Consulting in collaboration with Bain, BCG, McKinsey and Oliver Wyman. These new initiatives aimed to reach students from across the UK who previously could not apply to our programmes due to geographical limitations and ran alongside our existing programmes in law, banking and finance, engineering and medicine.

"I have gone from not knowing much about consulting to envisioning myself working for some of the companies I've met through the programme. Doing this programme virtually makes it a lot more accessible and easier for me as I can fit it into my timetable without having to worry about travel. Learning virtually also allows me to talk to people who I wouldn't be able to talk to normally, especially when they themselves are busy working for large companies." - Pathways to Consulting student, 2022

Focusing again on geographical reach, we successfully piloted new strands of work with the University of Liverpool this year to grow our presence in the northwest and are looking forward to expanding Engineering to Cardiff University and Banking and Finance to the University of Leicester over the next academic year.

Our work with corporates continued to grow this year, again hitting record numbers of 107 employers involved and ~700 hours of volunteering given by our corporate partners.

Apprenticeships Summer School

87 students attended our first face-to-face Apprenticeships Summer School this year, which ran at the University of Warwick and included sessions from Amazing Apprenticeships, The Money Charity, Mercedes, PWC, Irwin Mitchell, British Airways and Health Education England.

This Summer School concluded our final year of the Phase 1 pilot, which we evaluated externally. The evaluation has shown that:

- Students are benefiting from the programme particularly around awareness raising and confidence in understanding apprenticeships
- Attraction to the programme remains a barrier
- Availability of high-level apprenticeships remains a barrier
- Students may need longer term support in addition to a residential, focusing on supporting applications to employers

The team are now working on updating the programme design for Phase 2 of the project to address these findings and we are also working with the Innovation Team to support the National Apprenticeship Taskforce and ensure its aims help address the barriers faced in programmes.

Alumni

Our work with alumni has grown significantly over the last year with the launch of four programmes and an increase in engagement with our community and wider engagement activities. With over 50,000 alumni in our community, of which around 33,000 are contactable, we are delighted to be growing our presence and receiving such positive feedback from our work.

Some highlights from the programmes this year include:

- The first cohort of 51 alumni selected for the Opportunity Bursary programme, supported by J.P. Morgan. With just over £215,000 of funds awarded, alumni have taken part in projects like volunteering to support women workers in Costa Rica, running philosophy extracurricular sessions for primary school children, or taking film production courses, among many others

THE SUTTON TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD (continued)

Programmes (continued)

- The first cohort of 35 alumni selected for the Bloomberg strand of Careers+, accessing £3,000 of bursary funding each
- Both bursary programmes have seen 100% engagement rates from alumni, which is a remarkable achievement for the team
- 153 alumni taking part in our inaugural Sutton Trust Careers programmes, attending webinars on sector insights and sessions on core skills such as CV writing and interview skills
- 65 alumni taking part in Careers+ work experience placements across the legal sector

"Due to the incredible opportunities that this bursary has given me and the extra confidence in my abilities that the experience has instilled in me, I am more excited about the future than ever before." - Opportunity Bursary Recipient 2022

In terms of wider engagement, we are delighted to see our alumni infrastructure improve with our alumni platform, Sutton Trust Alumni (STA), now integrated with Sutton Trust Online (STO), meaning a smoother transition into our alumni community. Over 20% of alumni activated their profile with us in the first six weeks of being invited to the platform, already five percentage points higher than last year in total.

Further highlights from the year include:

- An increase in alumni giving back their time and expertise to the Trust, supporting our research, students, and fellow alumni, with over 260 volunteers giving over 650 hours in total of their time.
- An alumni awards event with four alumni recognised for their commitment to social mobility
- Three alumni becoming members of our Fellows board
- Our 25 case studies for 25 years campaign as part of the Trust 25th anniversary celebrations <https://www.suttontrust.com/25th-anniversary/>.

Innovation

We have a unique position as a trusted and respected organisation to harness our expertise to innovate so we can overcome new and existing social mobility challenges. We want to build Innovation as a new pillar of work at the Trust, which complements and enhances our research, policy, and programme activities.

In the summer of 2022, we held our first Innovation Steering Committee where the group was presented with several ideas to assess and review. Two exciting project areas were selected by the group:

The National Apprenticeships Taskforce. A network of employers who are committed to widening access to higher apprenticeships across the UK by:

- Collecting and sharing data on the socio-economic backgrounds of their apprenticeship workforce
- Offering work placements to school students
- Engaging schools, students, and parents through outreach activities
- Using fair recruitment methods
- Creating an inclusive working culture that encourages progression and retention

We expect to see an increase in engagement with employers over the course of the project, with the overall aim of seeing an increase in the number of higher level apprenticeships on offer to students from lower socio-economic backgrounds.

Fairer Schools Admissions. Schools that have a more balanced and mixed intake have far-reaching benefits, from better levels of overall attainment, to improved teacher recruitment and retention. This is currently not the case and high-performing schools are becoming increasingly segregated. We are running a series of activities to raise awareness of the issues by:

THE SUTTON TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD (continued)

Innovation (continued)

- Deepening our research on schools' admissions from 2020 to strengthen our evidence base and refocus attention
- Developing an advisory board of sector experts to offer insight, develop action plans and be a critical friend to the Trust
- Creating resources to help schools to navigate the topic and offer practical tools on how they can change their admissions policy
- Running awareness raising campaigns to encourage schools to sign a pledge, committing to reviewing their policies and implementing change
- Evaluating and monitoring progress of areas / schools that change their policies to determine impact and share best practice with others

Change will take time, but we hope that focussing the attention on the issues and empowering schools with the knowledge and resources to change their admissions policies will help move the dial.

The nature of innovation is to respond to new challenges and issues, to adapt and remain fluid in our approach and thinking. We will be constantly reviewing progress, creating a healthy pipeline of new activities, embedding our work across the organisation, and growing the team over the coming year.

Research, Policy and Communications

Following a period of intense focus on the impact of the COVID-19 pandemic on education in 2020 and 2021, the past year has seen the acute stage of the pandemic subside, with no further periods of school closures (albeit with some pandemic-related disruption continuing). Our research and policy activity over the past year has reflected this, with a gradual return to outputs focused on the long-term issues for social mobility and education, alongside continuing to shine a light on the ongoing impact of pandemic disruption on disadvantaged young people.

We have published 11 pieces of research, including eight research reports covering topics from careers advice to university access, and a blog series looking at the views of experts across the education sector about post-pandemic recovery. Our work continues to cover a wide range of issues within social mobility from early years through to access to the workplace.

We published several landmark pieces of work this year, including Social Mobility and Universities, a collaboration with the Institute for Fiscal Studies that, for the first time was able to estimate the impact of individual universities on the social mobility of their graduates. We also published a piece to celebrate the 25th anniversary of the Trust giving an overview of recent evidence on social mobility, since the Trust's landmark report on intergenerational mobility, published in 2005.

We also successfully established the Covid Social Mobility and Opportunities (COSMO) Study – a major national longitudinal cohort study that is examining the immediate and long-term impacts of the COVID-19 pandemic on educational inequality and social mobility. Jointly led by the Sutton Trust, the UCL Centre for Education Policy and Equalising Opportunities (CEPEO) and the Centre for Longitudinal Studies, the study was launched in autumn 2021 with a £4.6m grant from UK Research and Innovation with the funding going directly to UCL CEPEO and the Centre for Longitudinal Studies. This was a significant step forward for the Trust's research work. The study hit its target response rate, recruiting over 13,000 young people across the country, and its funding was renewed for a second year (2022/23). The first findings from the study were due to be published later in autumn 2022.

The Trust's 'A Fair Start' campaign – which calls for equal access to the government's 30-hour childcare entitlement – has continued to receive high levels of engagement from across the sector.

THE SUTTON TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD (continued)

Research, Policy and Communications (continued)

Research Output (highlights)

A levels and university access 2022 (August 2022)

Following the publication of similar pieces in 2020 and 2021, this report looked at the issues facing exams and university access in the year, which is the first year in which formal exams have returned post-pandemic. Headline findings were that 72% of teachers believed the attainment gap will widen at their school and 71% of working-class students were worried about getting into their first-choice university.

The findings were covered in the Independent, the Guardian and the Daily Mirror as well as on national radio and TV news channels.

Social Mobility: Past, Present and Future (June 2022)

Authored by Andrew Eyles, Lee Elliot Major and Stephen Machin (from the Centre for Economic Performance and the University of Exeter), this report looked at the latest developments in social mobility research since the Sutton Trust's landmark 2005 report, as well as how the field has changed and developed over the last 25 years. The report found some progress in social mobility in that time, but large gaps remaining by background in the likelihood of climbing the income ladder, ending up in a higher social class, or securing a university degree.

This piece was published to mark 25 years of the Sutton Trust and was covered in the Guardian, the Independent and by a piece by Sir Peter Lampl in the Times.

Education after the pandemic – Build Back Better (April and May 2022)

Following a range of interviews with experts across the education sector, this blog series took a closer look at challenges and opportunities after the pandemic, including the Sutton Trust's key priorities, such as the balance between higher education and apprenticeships / further education, and the digital divide. The aim of the series was to open up the conversation about what exactly 'building back better' could mean for education and has enabled us to highlight several issues within education policy in the wake of the pandemic.

Paving the Way (March 2022)

This report looked in detail at careers guidance in England, exploring the options that are currently available to young people, their engagement with the activities and opportunities on offer, and any barriers to improving provision in schools and colleges.

It found that less than a third (30%) of Year 13 students have completed work experience. Furthermore, when considering the topics covered in career guidance, only 10% of Year 13s said they have received large amounts of guidance on apprenticeships, over four times less the amount that said the same for university (46%).

The report has led to substantial policy engagement on the findings and recommendations, including an invitation to give evidence to the Select Committee Inquiry on careers advice, and engagement with the Department for Education, the Careers and Enterprise Company, Engineering UK and others.

Bridging the Gap (February 2022)

Authored by the Bridge Group, this report provides a closer look at access to and progression within engineering, focusing primarily on those in higher managerial and professional roles. It revealed that engineering is more socio-economically diverse than other sectors, such as law, medicine and journalism, but that barriers to the profession still remain, particularly when it comes to progression to managerial roles.

The piece received coverage in the Daily Express, trade press, and hundreds of regional outlets. We also engaged with the House of Commons Science and Technology Committee on this report, giving oral evidence to the Committee on the topic of diversity in STEM.

THE SUTTON TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD (continued)

Research, Policy and Communications (continued)

Research Output (highlights) (continued)

School disruption January 2022 (January 2022)

This piece of polling surveyed teachers over the winter term of 2021-22 to look at levels of staff absences across different school types and regions, access to devices in the context of a renewed demand for remote learning and the key issues facing schools during this period.

We found that teacher absences were more common in state schools compared to private schools, with over a quarter (28%) of state school teachers saying non-teaching staff were covering lessons.

The release received coverage in the Guardian, Daily Mail, Evening Standard, and others.

Apprenticeship Outreach (December 2021)

In this report we looked at access to apprenticeships and the outreach that employers undertake to encourage more young people to take them up. We found that an increasing number of degree apprenticeships are going to older, existing staff, and they are also more likely to be taken up by those in more affluent areas. The report also included recommendations to help employers improve their outreach work.

Universities and Social Mobility (November 2021)

Disadvantaged young people are four times more likely to become socially mobile if they attend university, according to this landmark report on the role that universities play in promoting social mobility. The research calculated a 'mobility score' for each university, based on how many disadvantaged students get in, and how well they do after graduation, allowing us for the first time to explore in detail how this varies by institution and course.

We produced an interactive data visualisation including the full list of universities in our social mobility ranking, filtered by course and subject. The report was covered in BBC News, the Times, the Guardian, the Telegraph, the Independent and the Daily Mail, receiving nearly 7,000 reads.

Going Further (October 2021)

This report, commissioned in partnership with the Centre for Vocational Education Research at the London School of Economics and Political Science, examines various pieces of evidence relating to the relationship between Further Education (FE) participation and outcomes, such as access to well-paid employment and progression to higher education.

Researchers found that at both FE colleges and schools there are significant gaps in earnings outcomes between those eligible for free school meals and their more advantaged classmates.

Policy Advocacy

The Trust's research remains an authoritative source on social mobility within parliament – with 47 parliamentary mentions of our work over the past year. We continue to engage closely with relevant Committees across both Houses. Following the publication of our research on careers advice in March 2022, we directly engaged with the Education Select Committee on their inquiry into effective careers guidance and gave oral evidence on the topic to the Committee in September. We have also inputted into the Education Select Committee's inquiry into the future of post-16 qualifications, and our Senior Research and Policy Manager, Dr Rebecca Montacute, gave oral evidence to the Science and Technology Committee on diversity in STEM.

Higher education (HE) reform has been a key priority for the government during the year, and the Trust has engaged with the Department for Education on this issue through responses to the consultations on HE reform and the introduction of the Lifelong Loan Entitlement, along with meeting with relevant civil servants. We also continue to engage with the Office for Students (OfS) on their evolving priorities. We have submitted responses to the Office for Students' consultations on its new approach to outcomes, changes to the Teaching Excellence

THE SUTTON TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD (continued)

Research, Policy and Communications (continued)

Policy advocacy (continued)

Framework and its proposed strategy for 2022-25. We continue to work with the OfS to ensure that access and widening participation remain central to its priorities.

The past year has been key for our 'A Fair Start' campaign, which calls for an extension to the 30-hours childcare and early education entitlement, following the publication of our research on the issue last summer. We have met with No10, the Department for Education (DfE) and the opposition to discuss the campaign. We have also gained support from a wide range of stakeholder organisations, including the Social Mobility Commission, the Association of School and College Leaders (ASCL), the KPMG Foundation and Nesta. Most recently, the Trust organised a nursery visit with Shadow Education Secretary Bridget Phillipson, to showcase the benefits to both children and their parents of extending the 30-hours policy.

In a rapidly changing political landscape, we will be engaging with both the new Department for Education ministerial team and Opposition parties to advocate for our key policy priorities over the coming months.

Communications Reach

Following two years of exceptionally high media coverage and digital communications reach linked to high public interest in education during the pandemic, our reach has dipped somewhat in the past year, back to levels seen pre-pandemic.

The Trust is regularly quoted and interviewed as a leading expert in response to the wider education agenda. Once again, we led the agenda when this year's GCSE and A Level results were released, releasing a key research report before results day, and providing rapid analysis on the day which had wide take up across the media.

Between September 2021 and August 2022 our research received over 2,600 mentions in the media, across print, online and broadcast outlets, including over 115 mentions in the national news. Our digital presence continues to grow; in the past year we have gained over 3,300 new Twitter followers, taking our following up to 60,600. We have increased our LinkedIn following to 19,000 and our Instagram following to over 4,500. Our website was viewed around 600,000 times across the year.

Development

Thanks to the generous support of more than 160 donors to the Sutton Trust, we closed the financial year 2021/22 in a strong position.

We typically track two key metrics in monitoring our fundraising performance; cash received during the year and new funds secured. The latter being a measure of new business, some of which is in the form of multi-year commitments that are realised as cash over time.

The figures for the past two full years are:

2021/22		2020/21	
New funds raised:	£2.6m	New funds raised:	£11.6m
Cash received:	£5.4m	Cash received:	£10.6m

(Note: The cash figures may differ from the accounts, which have been prepared on an accruals basis)

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REPORT OF THE TRUSTEES
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ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD (continued)

Development (continued)

The New Funds Raised figure for 2021/22 is lower than the previous year. 2020/21 was an exceptional year, given the commitment of more than £5m from JP Morgan for Opportunity Bursaries (now in a restricted fund), that we deferred some new asks of our leading donors given the programme underspend in 2020 and 2021, and that a number of major gift renewals fall due in the first few months of the 2022/23 financial year. As a result, our projections for New Funds Raised in the coming year are consistent with our longer-term growth trend. The cash figure of £5.4m for 2021/22 was as projected when the budget was set.

Fundraising Highlights

2021/22 has been a year of consolidation and a focus on stewardship of the growing pool of donors to the Sutton Trust. It has been good to meet with donors more freely again as things have opened up during 2021/22 and we have been pleased to host a number of programme visits and other events such as the 25th anniversary celebration.

This increased engagement has enabled renewed growth of the Fellows group of donors, with several new donors joining during the year. Pleasingly this includes members of the alumni community and individuals from within some of the corporate partners who are involved in our programmes.

We were pleased to have received generous support for the research programme in the form of a matched fund from Founder and Executive Chairman Sir Peter Lampl and from a range of foundations and individuals.

Financial Review

In the financial year under review income receivable, including grants, gifts, pro-bono support, interest and investment income was £5.8m, a 5% decline on the previous year (2021: £6.1m) and expenditure was £6.3m, a 40% increase on the previous year (2021: £4.5m). The total funds of the Trust decreased to £11.0m, a decrease of 7% during the year (2021: £11.8m). The decrease in funds is in line with expectations, due to the return of face-to-face delivery and programmes expansion as outlined in the previous sections. It is the Trust's aim to reduce its reserves, particularly those accumulated during the pandemic and restricted to particular programmes, in a measured and sustainable way.

For the year, income fell short of expenditure by £0.8m (2021: exceeded by £2.1m) of which £1.1m is within restricted or designated funds.

Income

Restricted income received in the year was £4.6m, 78% of total income received (2021: 82%) from over 100 different organisations and individual donors providing funding to programmes and research. Unrestricted income received in the year was £1.2m, 21% of total income received (2021: 18%).

Pro-bono services of £0.2m were received in the year, which are fully included within restricted income. No pro-bono services were received in the previous year.

Expenditure

Total expenditure on charitable activities was £5.4m, a 38% increase compared to the prior year. This increase reflects the cost impact of returning to face-to-face and hybrid delivery on the majority of programmes compared to the previous year, when residential student activities and events were either cancelled or moved online due to the ongoing pandemic.

Total expenditure on generating funds has stayed consistent compared to the previous year at £0.6m, reflecting the continued investment in the Development team to ensure the continuing success in building long-term relationships with funders and other activities as set out in the Development section on pages 12-13.

In light of the continued fundraising successes and its accumulated reserves position throughout the pandemic, the Trust has played a highly proactive role in regularly updating its funders about programme and research

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ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD (continued)

Financial Review (continued)

Expenditure (continued)

activities at the Trust and the financial implications on their funding. Plans are in place for funding accumulated during the pandemic to be spent down responsibly over the next couple of years with funders continuing to be kept informed of the progress. As a result, the Trust has set a series of deficit budgets with expenditure due to exceed income for the next couple of years.

Charitable Funds & Cash

Restricted income funds at the year-end fell by £0.8m, or 15%, to £4.6m. As detailed above, this is due to a planned reduction in accumulated funds during the pandemic. The detail of the restricted fund balances by programme are shown in Note 18.

Unrestricted income funds increased by 7%, to £4.1m, in the period, due to the reduction in office costs, a number of vacancies throughout the year and delay in central expenditure as a result. The reserves policy of the Trust is explained on pages 14-15.

The designated fund, created in 2019 and fully invested at the start of the year in accordance with the investment policy of the Trust, generated a negative annual return of £289k, or -11%, with a market value of £2.2m at the year-end.

Cash held at period end was £9.7m of which £6.2m relates to restricted funds and £3.5m to unrestricted funds. As per the section above, it is the intention of the Trust to significantly reduce the level of cash held in relation to its restricted funds. At the time of writing this report, work is underway to review investment opportunities for the Trust's unrestricted cash.

Reserves Policy

The purpose of the reserves policy is to mitigate any risk to the Trust's activities, which may be caused by short-term financing requirements caused by delayed funder payments, unforeseen increases in expenditure or future changes to the fundraising model.

The Trustees, Chief Executive and Executive Team meet to review the strategy, budgets, operating plans and forecasts for the forthcoming year. They aim to ensure that appropriate reserves are available to undertake programme activity agreed with funders and to finance the operating costs of the Trust for a minimum period of one year, in the event that the Trust is unable to secure reliable and resilient income through direct fundraising. As many of the Trust's programmes support young people over multiple years, it is important that services can continue uninterrupted through to completion.

Reserves include restricted and unrestricted funds. Unrestricted funds can be used at the discretion of the Trustees. The restricted funds may only be used for the purposes specified by the donors.

At the year end, total funds carried forward are £11.0m, which breaks down into £4.7m restricted funds, £2.2m of designated funds and £4.1m of general unrestricted funds.

Restricted funds are specified and allocated for the different programmes and research projects undertaken by the Trust. The level of restricted funds has risen significantly during the pandemic due to the continued cost savings caused by reduced face-to-face activities. The Trust is working closely with its funders to ensure funds accumulated are spent responsibly over an extended period. A breakdown of the restricted funds by programmes can be found in Note 18.

The **Designated fund** was established to secure the Trust's long-term financial sustainability. The designated fund may provide an initial investment for an expendable endowment in the future. In the short-to-medium-term the strategy is to accumulate the returns generated to sustain the growth of the fund. In the long-term the income generated is expected to provide an additional source of unrestricted income for the Trust.

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ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD (continued)

Financial Review (continued)

Reserves Policy (continued)

Unrestricted funds consist of:

- **Free Reserves of £2.7m.** This amount is expected to cover the budgeted operating costs for the next financial year, including staff salaries.
- **Fixed Asset Fund of £0.1m.** This is equivalent to the fixed assets held and used by the Trust, as these cannot be realised in the short-term.
- **General Reserves of £1.3m.** This amount is set aside to finance fluctuations in cashflow, to continue running programmes in the short-term, in the absence of a funder or to trial new programmes prior to seeking external funding. It is important to note that many of the programmes are planned for a multi-year period and this level of funding is a source of finance.

The Trustees review the way in which unrestricted funds are allocated with the aim of maximizing the amount available for charitable activities whilst ensuring that an appropriate level of reserves is maintained for the purposes set out above. The Trustees consider the level of reserves held at period end to be reasonable.

Investment Policy & Performance

The Charity relies on professional fund managers for the day-to-day running of its investment portfolio. The appointed fund managers manage the portfolio on a discretionary basis, with the fund managers taking all investment decisions in line with the investment objectives and risk profile agreed by the Trustees.

The Trust holds two separate investment funds – the designated investment fund for long-term sustainability and the (restricted) opportunity bursary fund – managed by Rathbones Group PLC and J.P. Morgan Bank, respectively, on behalf of Trust.

Each investment portfolio is allocated to the following asset classes: equities, fixed income and cash, and alternatives, with target allocations varying in line with the purpose of the specific investment (see below). The investment objectives of each investment reflect their medium-to-long term nature and include:

- Above-average level of capital and income growth and the maintenance of the capital value of the portfolio over the medium-to-long-term
- Investments in marketable securities which are capable of being converted into cash with reasonable notice

Designated Investment Fund for long-term sustainability

The fund was designated in 2019 with an initial cash investment of £2m. At the end of the year, the fund value was £2.2m with an asset allocation of 55.3% equities, 22.4% fixed income, 21.1% alternatives and 1.2% cash holdings.

The portfolio hasn't performed too well due to the challenging conditions in the period caused by the war in the Ukraine and the sustained levels of inflation experienced in the UK. The investment performance in the year is -13.4% net of fees and charges, which is behind the Trust's investment objectives for the fund. This also compares unfavorably with Rathbones' composite benchmarks (-8.9%) corresponding to the Trust's investment strategy. All income and gains are reinvested into the fund.

Opportunity Bursary (Restricted) Fund

The fund was established in 2021 with an initial cash grant of £4.8m and additional donations of £0.3m. At the end of the year the fund value was £4.9m with an asset allocation of 59.3% equities, 36.6% fixed income, 0.7% alternatives and 3.4% cash holdings.

The fund has also performed as well as would have been hoped for in the year, generating a return of -4.6% net of fees and charges, which is behind the Trust's investment objectives for the fund. While this portfolio has much larger overseas exposure than the Trust's Designated Investment Fund, performance has equally been affected by global inflation and global supply chain risks in the connection to the war in the Ukraine. The fund performance compares favourably with J.P. Morgan's composite benchmarks (-6.5%) corresponding to the Trust's investment strategy. During the year, £150,000 has been withdrawn from the fund in line with the grant conditions. The principal of the grant and the associated investment income is shown within deferred income in Note 13.

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ACHIEVEMENTS AND PERFORMANCE FOR THE PERIOD (continued)

Financial Review (continued)

Grant-making Policy

The Trust supports research, policy and programme work related to its central aim of promoting social mobility through education. It increasingly works in partnership with other funders, including trusts and foundations, corporates and individuals. Generally, support is given for a specific programme or piece of research to be delivered within a one-to-three-year time frame, with regular review points. The Trust takes a strategic and proactive approach to its work, working with other organisations to develop and evaluate its activities, based on the latest research evidence and policy opportunities.

The overall budget for each year is approved by the Trustees in consultation with the Executive Chairman, Chief Executive and other senior staff. The budget is reviewed regularly, and updates provided to the Trustees at each meeting and to the Chief Executive and Executive Team. Within these parameters, approval for individual commitments is discussed at regular meetings involving senior staff and others as appropriate. An approval matrix is in place to manage expenditure inside and outside the scope of the budget.

Prior to a recommendation being made, a member of staff will have had detailed conversations with the individuals and organisations behind the programme or research project. The aims and expected outcomes of the partnership will have been clearly defined and a written proposal will have been submitted. The terms and conditions of all partnerships are set out in a Letter of Agreement or equivalent; any variation on the terms and conditions are agreed formally as a term of variance. Regular monitoring is a requirement of all commitments made and, in the case of larger grants and recurrent funding for programmes, the Trust is highly likely to commission an independent academic evaluation and to include the programme in its Evaluation Framework.

Grants are generally paid in instalments, with each payment dependent on the production of an interim report, event milestones and/or staff and Trustees being satisfied with the progress being made through meetings and conversations.

PLANS FOR FUTURE PERIODS

The Trust will continue to progress towards its ten-year vision, which through its programmes seeks to reach 25,000 young people annually by 2030, to extend its research and policy impact, and do so in a financially sustainable way. In 2022/23 we will implement the third year of our three-year plan, which brings together priorities in programmes, innovation, research, policy, communications and development, as covered in the sections above.

Our central approach will remain the same, with a focus on directly supporting high ability, low/middle income young people through our programmes, and our research and advocacy work taking a wider look at the causes and potential solutions to low social mobility and educational inequality, from early years through to access to the workplace. Bringing these together – so that our research informs our programmes and both give traction to our policy asks – will remain a critical aspect of our approach.

On the programmes side, we will continue and extend the scope of Sutton Trust Online (STO), which is a key component in reaching more young people, aiming to double the number of online participants. A key focus for the year will be in gathering more evidence on the efficacy of purely online programmes, hybrid and face-to-face interventions. STO will introduce additional online modules that engage with parents/guardians and teachers as they seek to support young people with their university and career choices. New programme activity will include scoping programmes in tech and creative industries and onboarding new partners including the University of Sheffield, University of Leicester and new programmes at the University of Cardiff.

On the research and advocacy side, we will ensure a continued focus on responsive, agenda-setting research that aims to influence policy and keep social mobility as a top priority. We are mindful of the political disruption seen in 2022 and the need to consider the implications of a likely general election by 2024 at the latest.

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PLANS FOR FUTURE PERIODS (continued)

The COSMO study, mentioned above, is a key means of forwarding this objective, and the first findings of this will be published early in 2022/23. In addition to the core survey work of this report, which reaches 13,000 young people, their teachers and parents/guardians, the Sutton Trust will focus on an additional "opportunity cohort" of those from disadvantaged backgrounds who have high academic potential. Themes that will be informed by the major study include education recovery provision, academic attainment, mental health and wellbeing and ultimately higher education and employment destinations.

Notwithstanding recent changes in the political landscape, the Trust continues to have good access to civil servants, ministers and the media which has enabled us to effect change, while remaining nonpartisan and appealing to decision-makers from a range of backgrounds. Our plans in the coming year will capitalise on this by targeting our research to address specific issues which are important to decision-makers, as well as continuing to focus on long term issues, and by drawing more on international examples which can be translated to the UK context.

In 2022/23, we have some key objectives for the fundraising programme, which are to secure multi-year revenue funding for flagship programmes, continue to raise unrestricted or flexible funding that allows the Trust to be nimble and responsive as new needs and opportunities are identified, raise funds for the research programme, for which we have continue to have a matched funding opportunity for 2022/23 and 2023/24. In addition to these revenue fundraising priorities, we will resume our planning for a campaign to secure long term endowment funding for the Sutton Trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document & constitution

The Sutton Trust was incorporated on 15 February 2012. The Sutton Trust is a company limited by guarantee (number 07951541) and a registered charity (number 1146244). Its governing instrument is its Memorandum and Articles of Association. It does not have issued share capital and, as such, the ultimate control is vested in its Trustees.

Trustees – Appointment, Induction and Training

The appointment of Trustees is governed by the Articles of Association of the Charitable Company. The authorisation to appoint Trustees, of which there must be at least two, is vested in the Founder, Sir Peter Lampl, during his life. The Trust currently has six trustees who meet at least four times each year.

New Trustees are made aware of their legal obligations under charity law and company law, the decision-making processes at the Charitable Company, its strategic aims and recent performance. They are also provided with a pack of relevant documentation, including a budget, strategy overview, a current list of research and programmes, and key policies and procedures, including the Trust's safeguarding policy. The Trustee induction process was reviewed in 2019 as part of a review of practice against the Charity Code of Governance.

Trustees are involved in specific pieces of work in their areas of interest and expertise and undertake visits to relevant events and activities organised by the Trust.

The Trust's Commitment to Good Governance Code

In 2018, the Trustees reviewed the voluntary Code of Governance and undertook an internal audit of existing processes against the recommendations in the Code. This resulted in the identification of many areas of the code the Trust currently meets – particularly related to financial reporting and clarity on mission and purpose. The review also led to the Trust implementing several changes, especially in terms of formalising existing practices and introducing key policies and paperwork such as an annual schedule of Trustee business, a matrix of delegation, a new definition of roles and responsibilities, a code of conduct, and an updated conflicts of interest policy. Two new Trustees were also appointed in 2019, bringing new skills and expertise to the Board. This will be kept under review.

THE SUTTON TRUST
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STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisation

The Trustees of the Charitable Company meet to discuss overall strategy and to determine how best to direct its resources to meet its objectives. The Sutton Trust has a Chief Executive who reports to the Executive Chairman. The differing responsibilities of the Executive Chairman and the Chief Executive have been agreed and documented. The Chief Executive oversees a senior team comprising the Director of Development, Director of Programmes, Director of Research and Policy, Director of Communications and Public Affairs, and Director of Finance and Operations. The Executive Team have responsibility for managing the staff of the Charitable Company, which at the end of 2021/22 stands at 38 staff.

Remuneration Policy

The Sutton Trust is committed to making sure that employees are paid fairly and in a way that helps attract and retain high calibre people in order to have the greatest impact in delivering its charitable objectives.

In accordance with the Statement of Recommended Practice (SORP), the Sutton Trust:

- Discloses all payments to Trustees (no Trustees receive 'pay', but they can be reimbursed expenses);
- Discloses the number of employees paid more than £60,000 pa (in bands of £10,000); and
- Discloses pensions and other benefits given to employees.

The Trustee Board have delegated the responsibility for the authorisation of any pay increase (>£10k) to the Executive Chairman, as part of the Sutton Trust approval matrix. This arrangement is reviewed annually.

The pay of the Chief Executive is set by the Executive Chairman. All other salaries are set by the Chief Executive in consultation with the Senior Management Team using internal pay scales. The remuneration benchmark is the mid-point of the range paid for similar roles adjusted for a weighting for any additional responsibilities. If recruitment has proven difficult in the recent past a market addition is also paid with the maximum pay being no greater than the highest benchmarked salary for a comparable role.

Pay is reviewed annually, and any increases guided by the Retail Prices Index (RPI) and performance in the annual appraisal process. The Trust is a Living Wage employer and pays all its employees, including interns, at least the London Living Wage. Employee remuneration does not include any share options or long-term incentive schemes.

The period of notice of termination of contracts of employment is three months for the Executive Team. Pension provisions are set within the Chief Executive's wider compensation package. The Executive Team are on the same terms as other employees. Auto enrolment takes place in line with pension legislation.

Related Parties

The Trust has no trading subsidiary.

The Executive Chairman (and Trustee) of the Trust, Sir Peter Lampl, and the Trustee, Sir Peter Gershon, also act as Trustees of the Education Endowment Foundation (EEF), a sister charity established by the Sutton Trust as lead partner with Impetus Trust in 2011 to break the link between family income and educational achievements. The Sutton Trust and EEF share staff and floor space.

The Private Office of Sir Peter Lampl and The Sutton Trust share some staff and floor space.

Transactions with related parties are disclosed in Note 14 to the financial statements.

Internal Controls & Risk Management

The Trustees have responsibility for ensuring that the Charity has in place an appropriate system of controls, financial or otherwise, to provide reasonable assurance that the Charity is operating effectively and in line with the Charity Commission guidelines.

The systems of financial control were continually reviewed and improved where necessary during the reporting period to provide reasonable assurance against material misstatement or loss.

THE SUTTON TRUST
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STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Internal Controls & Risk Management (continued)

A full annual planning and budgeting process is in place, and the Charity considers risks as part of all its activities.

Notable risks identified in the period and actions to mitigate the impact include:

- *Bigger burden placed on the team because of more direct and digital delivery as the Trust grows, especially increase in demand for safeguarding support from partners. Actions to mitigate the impact include the ongoing review of resources and staffing to manage capacity, including new appointments, legal support; and the additional use of organisations with the relevant expertise through outsourcing arrangements.*
- *Increased staff turnover following two years of minimal turnover during the pandemic combined with challenges recruiting in a fluid post-Covid employment market. Actions to mitigate include benchmarking to ensure salaries and benefits continue to be competitive, introduction of hybrid working policies and ongoing dialogues with staff.*
- *Ensuring the Trust remains a distinct and respected voice in a busier educational landscape. Actions to mitigate the impact include clarity in terms of focus and policy objectives, working with partners with a strong track record, speed of turnaround to ensure relevance and leveraging the link with the ongoing programme work being undertaken.*
- *As we grow our programme work, ensuring we reach students who need our support the most, especially in underserved areas of the country, will become even more important. The Trust has already undertaken various pieces of analysis to better understand the makeup of our target population and are reviewing our school and college engagement strategy for applications from 2022/23 and beyond.*

Going Concern

The Trustees confirm that the accompanying accounts comply with statutory requirements, the requirements of the Articles of Association and the requirements of the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2019 (FRS 102)).

The Trustees have considered the financial budget for the next financial year, 2022/23, and its medium-term strategy. The plans show a robust pipeline of pledges and projected fundraising income in addition to detailed cost budgets for programmes and activity including administrative costs. The level of unrestricted and designated funds held is considered sufficient to absorb the impact of unexpected volatility in the light of the political and economic landscape, and its potential implications on fundraising and programme delivery and support (see Reserve Policy on page 14-15).

Considering the above, the Trustees believe that the Trust has adequate resources to continue successfully for the foreseeable future. Therefore, the annual report and financial statements have been prepared on a going concerns basis.

Fundraising Approach

The Trust is a member of the Fundraising Regulator and is committed to following the Code of Fundraising Practice.

The Trust raises the majority of its funds through large, multi-year grants and gifts from trusts and foundations as well as corporate and individual supporters. The Trust does not undertake any direct fundraising, such as door-to-door collections, direct mailings or cold calling. Funding opportunities are pursued through official channels, such as application form, or via introductions by current supporters. In line with current data protection regulation, we only contact individuals with prior consent.

The Trust ensures that grant and gift agreements are in place with its supporters. In 2021/22, the Trust did not have any Commercial Participants. The Trust completes a due diligence process for all new supporters. Development team staff are kept up-to-date on fundraising best practice.

The Trust's complaints policy is available on request from www.suttontrust.com/complaints-procedure/.

THE SUTTON TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Fundraising Approach (continued)

For staff, this is also available in the staff handbook. In 2021/22, we received no complaints. The Trust is not aware of any breaches of fundraising regulations by the Trust or by any person acting on its behalf.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of The Sutton Trust for the purposes of company law) are responsible for preparing the Report of the Trustees (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company 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 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to 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 Charitable Company 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 Charitable Company's auditor is unaware; and
- 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 auditor is 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.

AUDITOR

A resolution will be proposed at the next Trustees' meeting that Rawlinson & Hunter Audit LLP be re-appointed as auditor to the Charitable Company for the ensuing year.

In approving the Report of the Trustees, the Trustees also approve the Strategic Report included therein, in their capacity as company directors.

Approved by the Trustees and signed on their behalf by

Sir Peter Lampl - Trustee

Date:


21/02/2023

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

THE SUTTON TRUST

Opinion

We have audited the financial statements of The Sutton Trust ("the Charitable Company") for the year ended 31 August 2022 which comprise the Statement of Financial Activities (Incorporating the Income and Expenditure Account), the Balance Sheet, the 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 August 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council'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.

Conclusion relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

INDEPENDENT AUDITOR'S REPORT
TO THE MEMEBERS OF
THE SUTTON TRUST

Other information (continued)

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Report of the Trustees (incorporating the Strategic Report and the Directors' Report) prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees (incorporating the Strategic Report and the Directors' Report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 Report of the Trustees (incorporating the Strategic Report and the Directors' Report).

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 18, 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMEBERS OF

THE SUTTON TRUST

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our assessment of the susceptibility of the Charitable Company's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached after the consideration of the following:

- due to the relatively low volume of transactions we have high visibility to all the material transactions and adjustments;
- due to the relatively simple operational model of the Charitable Company there are comparatively few unexpected fluctuations in the reported results and balances and any such unexpected items would be specifically enquired into by us; and
- there are a number of individuals which comprise "management" and therefore there is no single individual who is likely to be able to override controls to effect a fraud.

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- discussions with management involved in the risk and compliance functions including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- the analytical review of the detailed Statement of Financial Activities for variances that are either unexpected or considered not to be in accordance with our understanding of the Charitable Company during the year;
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Charitable Company for previously unreported related party transactions;
- reviewing correspondence and agreements between the Charitable Company and its grantees, and discussion with the management in relation to their compliance with the Charities SORP FRS 102;
- reviewing correspondence and agreements between the Charitable Company and its donors, and discussion with the management in relation to compliance with the Charities SORP FRS 102;
- review of the Trustees' meeting minutes to identify unrecorded transactions; and
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMEBERS OF THE SUTTON TRUST

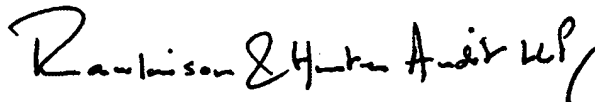
Auditor's responsibilities for the audit of the financial statements (continued)

Because of the inherent limitations of an audit and the audit procedures described above, there is an unavoidable risk that we will not have detected all irregularities, including some leading to material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remains a higher risk of non-detection of irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

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.



Kulwam Nagra (Senior Statutory Auditor)
For and on behalf of
Rawlinson & Hunter Audit LLP
Statutory Auditor
Chartered Accountants

Eighth Floor
6 New Street Square
New Fetter Lane
London
EC4A 3AQ

Date: 21 February 2023

THE SUTTON TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted Funds		Restricted Funds	TOTAL FUNDS	TOTAL FUNDS
	Note	General Funds	Designated Funds	Year ended 31 August 2022	Year ended 31 August 2022	Year ended 31 August 2021
		Year ended 31 August 2022	Year ended 31 August 2022	Year ended 31 August 2022	Year ended 31 August 2022	Year ended 31 August 2021
		£	£	£	£	£
Income from:						
Donations and legacies	2	1,204,039	-	4,568,566	5,772,605	6,087,801
Investments	2	4,888	48,667	3,516	57,071	46,006
Total income		<u>1,208,927</u>	<u>48,667</u>	<u>4,572,082</u>	<u>5,829,676</u>	<u>6,133,807</u>
Expenditure on:						
Costs of raising funds	4	297,882	17,131	249,323	564,336	547,732
Charitable activities	3, 4 & 5	632,487	-	5,146,377	5,778,864	3,947,602
Total expenditure		<u>930,369</u>	<u>17,131</u>	<u>5,395,700</u>	<u>6,343,200</u>	<u>4,495,334</u>
Net (losses)/gains on investments	9	-	(320,848)	(12,743)	(333,591)	417,513
Net income/(loss)	6	278,558	(289,312)	(836,361)	(847,115)	2,055,986
Other (losses)/gains	2	(201)	-	132	(69)	(150)
Net income and movement in funds		<u>278,357</u>	<u>(289,312)</u>	<u>(836,229)</u>	<u>(847,184)</u>	<u>2,055,836</u>
Reconciliation of funds:						
Total funds brought forward		<u>3,797,494</u>	<u>2,520,888</u>	<u>5,481,975</u>	<u>11,800,357</u>	<u>9,744,521</u>
Total funds carried forward	18 & 19	<u>£4,075,851</u>	<u>£2,231,576</u>	<u>£4,645,746</u>	<u>£10,953,173</u>	<u>£11,800,357</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derived from continuing activities.

The notes on pages 28 to 50 form part of these financial statements

THE SUTTON TRUST
BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	31 August 2022 £	31 August 2021 £
Fixed assets:			
Tangible assets	8	63,001	69,369
Investments	9 & 21	7,288,987	7,871,972
		<u>7,351,988</u>	<u>7,941,341</u>
Current assets:			
Debtors	10	881,002	479,151
Cash at bank and in hand	21	9,745,616	9,475,541
		<u>10,626,618</u>	<u>9,954,692</u>
Current liabilities:			
Creditors - amounts falling due within one year	11	(2,400,671)	(1,236,056)
Net current assets		<u>8,225,947</u>	<u>8,718,636</u>
Total assets less current liabilities		<u>15,577,935</u>	<u>16,659,977</u>
Creditors - amounts falling due after more than one year	12	(4,624,762)	(4,859,620)
Total net assets		<u>£10,953,173</u>	<u>£11,800,357</u>
The funds of the Charitable Company:			
Unrestricted - general fund	18 & 19	4,075,851	3,797,494
- designated fund	18 & 19	2,231,576	2,520,888
Restricted income fund	18 & 19	4,645,746	5,481,975
Total Charitable Company funds	18 & 19	<u>£10,953,173</u>	<u>£11,800,357</u>

The financial statements were approved by the Trustees and authorised for issue and signed on their behalf by:

Sir Peter Lampl
Trustee

Date:


21/02/2023

The notes on pages 28 to 50 form part of these financial statements

THE SUTTON TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Year ended 31 August 2022 £	Year ended 31 August 2021 £
Net cash inflow from operating activities	15	182,297	6,347,416
Cash outflow from investing activities			
Interest income		9,195	3,711
Dividend income		47,876	42,295
Purchase of fixed assets	8	(34,600)	(16,308)
Purchase of investments	9	(1,752,081)	(5,846,104)
Proceeds from disposal of investments	9	1,817,388	681,005
Net cash outflow from investing activities		87,778	(5,135,401)
Net increase in cash and cash equivalents		270,075	1,212,015
Cash and cash equivalents brought forward		9,475,541	8,263,526
Cash and cash equivalents carried forward		£9,745,616	£9,475,541
Cash and cash equivalents consists of:			
Cash at bank and in hand		£9,745,616	£9,475,541
Cash and cash equivalents at 31 August 2022		£9,745,616	£9,475,541

Cash held at year end was £9.7m (2021 - £9.5m). £6.2m of this relates to restricted funds (2021 - £5.7m) and £3.5m to unrestricted funds (2021 - £3.8m).

The notes on pages 28 to 50 form part of these financial statements

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1 ACCOUNTING POLICIES

General information

The Sutton Trust ("the Trust", "the Charity" or "Charitable Company") is a registered charity (charity number 1146244) limited by guarantee, whose principal object is to support charitable purposes in whatever manner the Trustees, in their absolute discretion, think fit.

The Trustees' overriding aim is to promote social mobility by improving the educational opportunities available to non-privileged young people in the United Kingdom, through research, policy work and programmes.

The policy of the Charitable Company is to seek sufficient finance to continue to fund its charitable activities.

In the event of the Charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charitable Company. The address of the registered office is given on page 2 of these financial statements.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (issued in October 2019) ("Charities SORP FRS 102"), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and where relevant, the Charities Act 2022, the Companies Act 2006 and UK Generally Accepted Practice. The Trust constitutes a public benefit entity as defined by Charities SORP FRS 102.

The financial statements are prepared on a going concern basis and under the historical cost convention, except in respect of its fixed asset investments which are carried at market value.

The financial statements are prepared in Sterling which is the functional currency of the Charitable Company.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Income

Income is recognised once the Charitable Company has entitlement to the funds and it is probable that the funds will be received within the Charitable Company or on behalf of the Charitable Company and the monetary value of incoming resources can be measured with sufficient reliability.

Donations from co-sponsors, whether paid through the Charitable Company or directly to the grantees, are also recognised in the financial statements, within donation income, when the Charitable Company acts as "Principal" for these projects. A corresponding donation expense is recorded in respect of these donations such that there is no net impact on the Statement of Financial Activities (refer to "Expenditure" below for details).

Donated services and facilities are included at the value to the Charitable Company where this can be quantified.

Donation income is deferred when the donations are received in advance and specified by the donor as relating to specific accounting periods; or alternatively which are subject to conditions which are still to be met and which are outside the control of the Charitable Company, or when it is uncertain whether the conditions can or will be met. These are deferred to the year to which they relate and released to incoming resources in that year.

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES (continued)

Income (continued)

For legacies, entitlement is the earlier of the Charitable Company being notified of an impending distribution or the legacy being received. At this point income is recognised. Where legacies are notified to the Charitable Company and it is not possible to measure with sufficient reliability the amount expected to be distributed, these legacies are not recognised.

Investment Income

Investment income represents interest receivable from bank deposits, dividends, interest and fixed income receivable from listed investments.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

- The costs of raising funds consist of direct staff costs and other support costs for fundraising.
- Charitable activities include grants payable to third parties in furtherance of the charitable objectives of the Charitable Company and include both the direct costs and support costs relating to these activities. They include grants paid directly to grantees by co-sponsors where the Charitable Company acts as "Principal" for these projects (refer to "Income" above for details).

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable are to third parties in furtherance of the charitable objectives. Where unconditional grants are offered, the value of the grants is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grant. Where grants are conditional relating to performance then the grant is recognised to the extent that the recipient of the grant has provided the specified service.

Support costs allocation

Support costs relate to those functions that assist the work of the Trust but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trust's programmes and activities. These costs have been allocated between "Cost of raising funds" and "Charitable activities".

Status of funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charitable Company, and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund, if any, is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charitable Company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES (continued)

Status of funds (continued)

The list of grants is detailed in Note 3 to the financial statements and the purpose of these grants is to provide educational opportunities for young people from non-privileged backgrounds and to fund related research and policy work.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Provision for depreciation of tangible assets is made at rates calculated to write off the cost of the assets, less their estimated residual values, over their expected working lives. The rates of depreciation are as follows:

Leasehold improvements	-	over the lease period of 41 months
Furniture and fittings	-	15% straight line
Computer equipment	-	25% straight line

Investments

Investments are recognised initially at cost which is normally the transaction price including transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably.

The fair value of listed investments is determined by reference to the quoted price being the Stock Exchange mid-price.

Realised and unrealised gains and losses

Realised gains and losses are recognised on disposal of investments. Unrealised gains and losses are recognised on the market value of investments at the balance sheet date.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Financial instruments

The Charitable Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are recognised initially at transaction cost and subsequently at amortised cost.

Provisions

Provisions are recognised when the Charitable Company has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Foreign currencies

Foreign currency transactions are translated into the functional currency, Sterling, using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. ACCOUNTING POLICIES (continued)

and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Financial Activities.

Employee benefits

When employees have rendered service to the Charitable Company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The Charitable Company contributes to defined contribution plans for the benefit of its employees. Contributions are expensed as they become payable.

Tax

The Charitable Company is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a Charitable Company for UK corporation tax purposes.

Going concern

The Trustees have considered the relevant financial risks and the ability of the Charitable Company to continue in operational existence for the foreseeable future. Having considered the level of funds held and reviewed a robust pipeline of pledges and projected fundraising income together with the detailed cost budgets for each programme and activity including administrative costs for the 12 months from authorising these financial statements, the Trustees have a reasonable expectation that the Charitable Company has adequate resources to continue in operational existence for the foreseeable future and hence consider the adoption of the going concern basis in preparing these financial statements is appropriate.

Operating lease

Rentals under operating leases are charged to the Statement of Financial Activities as they are incurred. Benefits received and receivable as an incentive to sign or continue an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

Judgements and key sources of estimation uncertainty

In preparing financial statements, the Trustees have to make judgements on how to apply the Trust's accounting policies and make estimates about the future. The critical judgements that have been made at arriving at the amounts recognised in the financial statements and the key areas of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities in the next financial year, are discussed below:

Future grants payable provision

Future grants payable are only provided for in the financial statements when there is a constructive or legal obligation for the Trust to pay out future grants at the period end, which is dependent on the terms and conditions of the grant agreement between the Trust and the grant beneficiary.

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. INCOME

	Unrestricted Funds Year ended 31 August 2022 £	Designated Funds Year ended 31 August 2022 £	Restricted Funds Year ended 31 August 2022 £	TOTAL FUNDS Year ended 31 August 2022 £
The income comprised:				
Donations	1,204,039	-	4,338,576	5,542,615
Donated services *	-	-	229,990	229,990
Dividends	-	44,457	3,419	47,876
Bank interest	4,888	4,210	97	9,195
	<u>1,208,927</u>	<u>48,667</u>	<u>4,572,082</u>	<u>5,829,676</u>
Other gains/(losses)				
- foreign exchange	428	-	132	560
- disposal of fixed asset	(629)	-	-	(629)
	<u>(201)</u>	<u>-</u>	<u>132</u>	<u>(69)</u>
The income arose from the following geographical locations:	Year ended 31 August 2022 £	Year ended 31 August 2022 £	Year ended 31 August 2022 £	Year ended 31 August 2022 £
US and Canada	121,100	-	686,298	807,398
Switzerland	-	-	-	-
New Zealand	-	-	-	-
UK including the Channel Islands	<u>1,208,927</u>	<u>48,667</u>	<u>3,764,884</u>	<u>5,022,278</u>
	<u>1,330,027</u>	<u>48,667</u>	<u>4,450,982</u>	<u>5,829,676</u>

*Donated services above consists of pro bono charitable activities undertaken by external providers on behalf of the Trust.

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. INCOME (continued)

	Unrestricted Funds	Designated Funds	Restricted Funds	TOTAL FUNDS
	Year ended 31 August 2021	Year ended 31 August 2021	Year ended 31 August 2021	Year ended 31 August 2021
	£	£	£	£
The income comprised:				
Donations	1,039,773	-	5,048,028	6,087,801
Dividends	-	41,394	901	42,295
Bank interest	383	3,293	35	3,711
	<u>£1,040,156</u>	<u>£44,687</u>	<u>£5,048,964</u>	<u>£6,133,807</u>
Other losses				
– foreign exchange	(120)	-	(13)	(133)
– disposal of fixed asset	(17)	-	-	(17)
	<u>(137)</u>	<u>-</u>	<u>(13)</u>	<u>(150)</u>
	<u>£1,040,156</u>	<u>£44,687</u>	<u>£5,048,964</u>	<u>£6,133,807</u>
The income arose from the following geographical locations:	Year ended 31 August 2021	Year ended 31 August 2021	Year ended 31 August 2021	Year ended 31 August 2021
	£	£	£	£
US and Canada	-	-	590,974	590,974
Switzerland	-	-	250,435	250,435
New Zealand	2,496	-	-	2,496
UK including the Channel Islands	1,037,660	44,687	4,207,555	5,289,902
	<u>£ 1,040,156</u>	<u>£ 44,687</u>	<u>£ 5,048,964</u>	<u>£ 6,133,807</u>

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

**3. LIST OF GRANTS MADE FOR CHARITABLE PURPOSES
DURING THE YEAR ENDED 31 AUGUST 2022**

**Access programmes for university and
the professions**

Pathways to Banking & Finance
Pathways to Engineering
Pathways to Law
Pathways to Medicine
Pathways to Law Online
Pathways to Banking and Finance Online
Pathways to Consulting Online
Apprenticeship Summer School
Sutton Trust Careers
Sutton Trust Careers Launch Pad
Sutton Trust Careers Plus
US Programme
Sutton Trust Online
Alumni Engagement Programme
Opportunity Bursary
Teachers Champions
UK Summer Schools

**Early years and primary school
Programmes**

Communication and Language Project

Research and policy

Covid-19 and the University Experience
Sutton Trust Cabinet Analysis 2021
Going Further
Universities and Social Mobility
Apprenticeship Outreach
School Disruption January 2022
Bridging the Gap
Paving the Way
Social Mobility: Past, Present and Future
A levels and University Access 2022
A Fair Start

Programmes in schools and colleges

Sutton Scholars

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

**3. LIST OF GRANTS MADE FOR CHARITABLE PURPOSES
DURING THE YEAR ENDED 31 AUGUST 2021 (continued)**

	Unrestricted Funds Year ended 31 August 2022 £	Designated Funds Year ended 31 August 2022 £	Restricted Funds Year ended 31 August 2022 £	Total Year ended 31 August 2022 £	Total number Year ended 31 August 2022
Grants payable to institutions	-	-	1,834,479	1,834,479	141
Grants payable to individuals	-	-	-	-	-
Total grants payable (see Note 4)	£ -	£ -	£1,834,479	£1,834,479	141
Total number	-	-	141	-	141

	Unrestricted Funds Year ended 31 August 2021 £	Designated Funds Year ended 31 August 2021 £	Restricted Funds Year ended 31 August 2021 £	Total Year ended 31 August 2021 £	Total number Year ended 31 August 2021
Grants payable to institutions	-	-	1,124,843	1,124,843	111
Grants payable to individuals	-	-	-	-	-
Total grants payable (see Note 4)	£ -	£ -	£1,124,843	£1,124,843	111
Total number	-	-	111	-	111

The grants payable above exclude other direct charitable programme expenses payable to the grantees. See the grant-making policy on page 16 of the Report of the Trustees on how the grants relate to the objects of the Charitable Company.

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

4. CHARITABLE ACTIVITIES

	Grants (Note 3)	Direct costs	Staff costs (Note 7)	Support Costs (Note 5)	Pro bono work	Total
	Year ended 31 August 2022	Year ended 31 August 2022	Year ended 31 August 2022	Year ended 31 August 2022	Year ended 31 August 2022	Year ended 31 August 2022
	£	£	£	£	£	£
University outreach	584,100	869,074	475,963	370,220	38,179	2,337,536
Schools/colleges	1,096,402	442,908	142,966	384,666	191,811	2,258,753
Innovation	-	-	32,426	7,417	-	39,843
Early years	153,977	(16,959)	78,571	49,315	-	264,904
Research projects	-	451,007	263,403	163,418	-	877,828
	<u>£1,834,479</u>	<u>£1,746,030</u>	<u>£993,329</u>	<u>£975,036</u>	<u>£229,990</u>	<u>£5,778,864</u>
Costs of raising funds	-	£44,388	£424,731	£95,217	-	£564,336

	Unrestricted Funds	Restricted Funds	Total
Charitable expenditure	<u>632,487</u>	<u>5,146,377</u>	<u>£5,778,864</u>

	Grants (Note 3)	Direct costs	Staff costs (Note 7)	Support Costs (Note 5)	Pro bono work	Total
	Year ended 31 August 2021	Year ended 31 August 2021	Year ended 31 August 2021	Year ended 31 August 2021	Year ended 31 August 2021	Year ended 31 August 2021
	£	£	£	£	£	£
University outreach	375,881	596,746	432,611	313,436	-	1,718,674
Schools/colleges	536,490	434,779	147,485	266,765	-	1,385,519
Early years	181,600	3,375	61,201	59,254	-	305,430
Research projects	30,872	188,870	213,868	104,369	-	537,979
	<u>£1,124,843</u>	<u>£1,223,770</u>	<u>£855,165</u>	<u>£743,824</u>	<u>£ -</u>	<u>£3,947,602</u>
Costs of raising funds	£ -	£25,354	£419,173	£103,205	£ -	£547,732

	Unrestricted Funds	Restricted Funds	Total
Charitable expenditure	<u>£587,788</u>	<u>£3,359,814</u>	<u>£3,947,602</u>

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. ANALYSIS OF SUPPORT COSTS

	Charitable Activities Year ended 31 August 2022 £	Fund raising (unrestricted) Year ended 31 August 2022 £	Total Year ended 31 August 2022 £
Wages and salaries (Note 7)	380,818	37,189	418,007
Other staff costs—travel / recruitment etc.	125,259	12,232	137,491
Administration	106,680	10,418	117,098
Premises (net of recharges)	170,551	16,655	187,206
Audit & other	26,420	2,580	29,000
Accountancy	13,603	1,328	14,931
Legal	4,854	474	5,328
Public relations	110,102	10,752	120,854
Depreciation (Note 8)	36,749	3,589	40,338
	<u>£975,036</u>	<u>£95,217</u>	<u>£1,070,253</u>

	Charitable Activities Year ended 31 August 2021 £	Fund raising (unrestricted) Year ended 31 August 2021 £	Total Year ended 31 August 2021 £
Wages and salaries (Note 7)	367,437	50,982	418,419
Other staff costs—travel / recruitment etc.	(5,763)	(800)	(6,563)
Administration	34,559	4,795	39,354
Premises (net of recharges)	185,553	25,746	211,299
Audit & other	21,076	2,924	24,000
Accountancy	12,076	1,675	13,751
Legal	4,956	688	5,644
Public relations	88,648	12,300	100,948
Depreciation	35,282	4,895	40,177
	<u>£743,824</u>	<u>£103,205</u>	<u>£847,029</u>

Governance costs include costs incurred on strategy and planning, the annual audit and any relevant legal fees.

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

6. NET INCOME AND NET MOVEMENT IN FUNDS FOR THE PERIOD

This is stated after charging:

	Year ended 31 August 2022	Year ended 31 August 2021
	£	£
Operating leases – land and buildings	117,129	113,807
Depreciation	40,338	40,177
Loss on disposal of fixed assets	629	17
Auditor's remuneration:		
Audit services	29,000	24,000

7. STAFF COSTS

	Year ended 31 August 2022	Year ended 31 August 2021
	£	£
(a) Salaries	1,573,046	1,418,500
National Insurance	146,178	105,028
Pension contributions	196,310	169,228
	<u>1,915,534</u>	<u>£1,692,756</u>

Included in the staff costs are consultancy fees of £195,259 (2021 - £204,260) payable to key management personnel and £Nil (2021 - £27,825) payable to another consultant, who are not employees. Also included in the staff costs are staff costs (inclusive of NI and pension contributions) recharged to the Charitable Company by the Chairman's private office of £51,538 (2021 - £46,257). £Nil (2021 - £1,153) were due on pension plans for those shared employees.

The Trustees, who are also directors of the Charitable Company, received no remuneration for their services during the year ended 31 August 2022 (2021 - £Nil). See Note 14 for other Trustee related transactions.

The key management personnel of the Charitable Company, comprise the Trustees, the Chief Executive and the Executive Team. The total employee benefits of the key management personnel of the Trust were £594,595 (2021 - £636,868).

The Charitable Company contributes to the defined contribution personal pension plans of certain employees and contributions are charged in the Statement of Financial Activities as they become payable. The charge for the year was £196,310 (2021 - £169,228). Of these contributions, £Nil (2021 - £14,834) were due to these plans by the Charitable Company at the year end.

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

7. STAFF COSTS (continued)

	Year ended 31 August 2022 No.	Year ended 31 August 2021 No.
(b) Number of staff		
Programmes	16	12
Research	8	9
Fundraising	5	6
Administration	4	4
	<u>33</u>	<u>31</u>

(c) Employees' remuneration over £60,000 per year

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 for the year is as follows:

£60,001 to £70,000	1	2
£70,001 to £80,000	2	1
£80,001 to £90,000	-	-
£110,000 to £120,000	1	1
	<u>1</u>	<u>1</u>

Employers' pension contributions in respect of these 4 (2021 - 4) employees amounted to £30,387 (2021 - £26,289) during the period.

8. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Furniture and fittings £	Computer equipment £	Cycle scheme £	Total £
Cost					
At 1 September 2021	143,766	112,986	104,785	1,917	363,454
Additions	-	11,054	23,232	314	34,600
Disposals	-	(3,278)	(2,998)	(1,917)	(8,193)
At 31 August 2022	<u>143,766</u>	<u>120,762</u>	<u>125,019</u>	<u>314</u>	<u>389,861</u>
Depreciation					
At 1 September 2021	139,528	101,169	52,589	799	294,085
Charge for period	4,238	4,976	29,980	1,144	40,338
Disposals	-	(2,884)	(2,762)	(1,917)	(7,563)
At 31 August 2022	<u>143,766</u>	<u>103,261</u>	<u>79,807</u>	<u>26</u>	<u>326,860</u>
Net book value					
At 31 August 2022	<u>£ -</u>	<u>£ 17,501</u>	<u>£ 45,212</u>	<u>£ 288</u>	<u>£ 63,001</u>
At 31 August 2021	<u>£ 4,238</u>	<u>£ 11,817</u>	<u>£ 52,196</u>	<u>£ 1,118</u>	<u>£ 69,369</u>

THE SUTTON TRUST
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9. FIXED ASSET INVESTMENTS

	31 August 2022 £	31 August 2021 £
Investments comprise:		
Rathbones	2,205,136	2,459,479
JP Morgan	5,045,388	5,334,228
	<u>7,250,524</u>	<u>7,793,707</u>
Total equity, bond and other investments	7,250,524	7,793,707
Cash held as part of portfolio	38,463	78,265
	<u>7,288,987</u>	<u>7,871,972</u>
Total Investments and cash under management	£7,288,987	£7,871,972
 (Loss)/gain on investments in the period:		
Realised gains/(losses)	62,795	(3,552)
Unrealised (losses)/gains	(580,473)	632,000
	<u>£(517,678)</u>	<u>£628,448</u>
Total (loss)/gain on investments in the period	£(517,678)	£628,448
 Included in:		
Deferred income	(184,087)	210,935
Statement of Financial Activities	(333,591)	417,513
	<u>£ (517,678)</u>	<u>£ 628,448</u>

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. FIXED ASSET INVESTMENTS (continued)

	31 August 2022	31 August 2021
	Total £	Total £
Market value		
At 31 August 2021	7,871,972	2,086,263
Additions	1,752,081	5,838,266
Disposals	(1,817,388)	(681,005)
Net realised investment gains/(losses)	62,795	(3,552)
Unrealised investment gains	(580,473)	632,000
At 31 August 2022	£7,288,987	£7,871,972

The following investments represent material investments (more than 5% of the total investment portfolio) of the Charitable Company:

	Market Value	Percentage of total
	31 August 2022 £	31 August 2022 %
Vanguard S&P 500 ETF	£1,986,657	27.3
Lumyna-Global Debt-GOVT UCITS FD	£639,947	8.8
HSBC Global Fund ICAV	£448,463	6.2

	Market Value	Percentage of total
	31 August 2021 £	31 August 2021 %
Vanguard S&P 500 ETF	£1,742,849	22.1
Lumyna-Global Debt-GOVT UCITS FD	£573,709	7.3

10. DEBTORS

	31 August 2022 £	31 August 2021 £
Debtors – donations and legacies receivable	43,949	217,507
Other debtors	7,754	12,240
Prepayments and accrued income	829,299	249,404
	£881,002	£479,151

THE SUTTON TRUST
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11. CREDITORS - Amounts falling due within one year

	31 August 2022 £	31 August 2021 £
Accruals for grants payable	1,541,211	537,783
Trade creditors	168,254	74,636
Taxation and social security	42,123	35,579
Other creditors	28,745	5,832
Accruals and deferred income (Note 13)	620,338	582,226
	<u>£2,400,671</u>	<u>£1,236,056</u>

12. CREDITORS - Amounts falling due after more than one year

	31 August 2022 £	31 August 2021 £
Other creditors	14,562	-
Accruals and deferred income (Note 13)	4,610,200	4,859,620
	<u>£4,624,762</u>	<u>£4,859,620</u>

The fair value of the long term creditors is not materially different from the amounts shown above.

13. DEFERRED INCOME

	31 August 2022 £	31 August 2021 £
Balance as at 1 September 2021	5,341,981	503,806
Amount deferred in the period	968,681	5,311,342
Amount released to income	(1,200,931)	(473,166)
Balance as at 31 August 2022	<u>£5,109,731</u>	<u>£5,341,982</u>

Deferred income represents grants, donations received in advance and also the match funding from Sir Peter Lampl (refer Note 14). It is included within Accruals and deferred income in Notes 11 and 12 above.

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
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14. TRANSACTIONS WITH TRUSTEES AND CONNECTED PERSONS

No Trustee received any remuneration during the year ended 31 August 2022 (2021 - £Nil).

Trustees' expenses

During the year Sir Peter Lampl charged the Charitable Company £60,786 (2021 - £56,157) for the shared use of some employees (see Note 7a), benefits and expenses incurred by him on behalf of the Charitable Company.

During the year Sir Peter Lampl was charged £40,581 (2021 - £40,208) for general administrative costs incurred by the Charitable Company on his behalf.

£25,195 (2021 - £4,676 was owed from) was owed to Sir Peter Lampl at the year end. This amount was settled promptly after the year end.

Donations from Trustees

During the year, donations of £150,000 (2021 - £Nil) were received and a further £234,241 matched funding recognised and yet to be received from Sir Peter Lampl. The balance remaining at the year end, within the matched funding account, is £234,241 (2021 - £30,640) (see Note 10).

During the year, total donations of £30,000 (2021: - £150,000) were received from other Trustees.

Other

Sir Peter Gershon, a Trustee of The Sutton Trust, was also a Trustee of the Education Endowment Foundation (EEF). Sir Peter Lampl is the Chairman and also a Trustee of the EEF. The EEF shares certain office premises held by The Sutton Trust under a licence agreement for which it pays a commercial rent for the use of the space and related overhead services. In the year the Sutton Trust charged the EEF £24,830 (2021 - £42,289) for office space and overheads and £13,956 (2021 - £56,379) for some staff costs and third party expenses. £7,754 (2021 - £7,564) was owed to The Sutton Trust by the EEF at the year end.

15. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Year ended 31 August 2022 £	Year ended 31 August 2021 £
Net income and net movement in funds	(847,184)	2,055,836
Interest receivable	(9,195)	(3,711)
Dividends receivable	(47,876)	(42,295)
Unrealised loss/(gain) on investments (Note 9)	580,473	(632,000)
Realised (gain)/loss on investments (Note 9)	(62,795)	3,552
Depreciation of tangible fixed assets less disposals	40,338	40,177
Loss on disposal of fixed assets	629	17
(Increase)/decrease in debtors	(401,851)	152,324
Increase in creditors	929,758	4,773,516
Net cash inflow from operating activities	£182,297	£6,347,416

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. OPERATING LEASES

At 31 August 2022, the Charitable Company was committed to make the following future payments under a non - cancellable operating lease:

	Land and Buildings 31 August 2022 £	Land and Buildings 31 August 2021 £
Within 1 year	122,796	65,963
Between two and five years	378,621	-
	<u>501,417</u>	<u>65,963</u>

The above operating lease for the premises occupied by the Charitable Company expires on 28 September 2026.

17. ULTIMATE CONTROLLING PARTY

The ultimate controlling party are the Trustees.

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. STATEMENT OF FUNDS

	Funds brought forward	Total Income	Total expenditure (including gains/(losses)	Transfers	Funds carried forward
	£	£	£	£	£
Unrestricted funds					
General funds	3,797,494	1,208,927	(930,570)	-	4,075,851
Designated funds	2,520,888	48,667	(337,979)	-	2,231,576
	<u>£6,318,382</u>	<u>£1,257,594</u>	<u>£(1,268,549)</u>	<u>-</u>	<u>£6,307,427</u>
Restricted funds					
Accessing Online	736	-	(736)	-	-
Opportunities Alumni Engagement Programme	-	80,496	(80,496)	-	-
Apprenticeship Summer School	80,470	98,450	(144,934)	-	33,986
Employability Bursaries	-	53,094	(21,435)	-	31,659
Infrastructure Project	2,281	-	(2,281)	-	-
Pathways to Banking & Finance	198,694	265,000	(163,215)	-	300,479
Pathways to Engineering	133,686	131,201	(103,504)	-	161,383
Pathways to Law	34,929	272,740	(506,782)	255,075	55,962
Pathways to Medicine	172,116	156,786	(182,695)	422	146,629
Pathways Online	-	198,762	(116,399)	-	82,363
Pathways General	820,053	218,332	-	(255,497)	782,888
Opportunity Bursary	433,265	153,429	(250,028)	-	336,666
Sutton Scholars	(17,624)	50,000	(25,048)	-	7,328
Sutton Trust Careers	-	62,800	(62,800)	-	-
Sutton Trust Careers Launchpad	-	165,250	(72,213)	-	93,037
Sutton Trust Careers Plus	1,261	75,387	(76,648)	-	-
Sutton Trust Online	206,777	415,084	(555,015)	-	66,846
Employability & Post 18 General Fund	-	40,000	-	-	40,000
UK Summer Schools	1,794,058	766,460	(1,390,861)	-	1,169,657
US Programme	1,178,351	436,159	(662,422)	-	952,088
Programmes General Fund	-	-	-	-	-
Innovation Projects	-	253,688	(38,716)	-	214,972
Apprenticeship Campaigns	57,956	33,661	(91,617)	-	-
Apprenticeship Research	-	80,000	(73,398)	-	6,602
COSMO: Cohort Study	304,544	-	(239,336)	-	65,208
Data Analysis & Insights	-	77,000	(62,528)	-	14,472
Early years	74,999	79,100	(136,277)	-	17,822
Early Years Campaign	5,423	47,400	(32,052)	-	20,771
Employability Research	-	130,000	(85,072)	-	44,928
Research and Policy	-	231,803	(231,803)	-	-
	<u>£5,481,975</u>	<u>£4,572,082</u>	<u>£(5,408,311)</u>	<u>-</u>	<u>£4,645,746</u>
Total funds	<u>£11,800,357</u>	<u>£5,829,676</u>	<u>£(6,676,860)</u>	<u>-</u>	<u>£10,953,173</u>

THE SUTTON TRUST
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18. STATEMENT OF FUNDS (continued)

Unrestricted General Funds

The unrestricted general fund represents the general reserves of the Trust which are not designated for particular purposes.

Unrestricted Designated Funds

This represents the investment fund that has been set up to ensure the long-term sustainability of the Trust.

Restricted Funds

Accessing Online Opportunities

A programme to support students on digital Sutton Trust programmes with equipment and internet access.

Alumni Engagement Programme

A professional alumni network bringing together and engaging with the beneficiaries of Sutton Trust programmes.

Apprenticeship Summer School

A new employability programme to widen access to apprenticeships.

Employment Bursaries

Bursary fund to support Sutton Trust Alumni in the North West with their career development.

Infrastructure Project

Funding to build capacity within the Trust.

Pathways General

Funding received from a number of partners to support the Trust's wider employability programmes.

Pathways to Banking & Finance

A programme to widen access to university and banking related careers.

Pathways to Engineering

A programme to widen access to the engineering sector.

Pathways to Law

A programme to widen access to university and legal careers.

Pathways to Medicine

A programme to widen access to medical schools.

Pathways Online

Online programme to widen access to a range of sectors, including Banking, Consulting and Law.

THE SUTTON TRUST
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18. STATEMENT OF FUNDS (continued)

Restricted Funds (continued)

Opportunity Bursary

Bursary fund to support Sutton Trust alumni with their career development.

Sutton Scholars

The Trust's programme to support highly able state school students pre-16.

Sutton Trust Careers

A programme of employability and careers support for our alumni community.

Sutton Trust Careers Launchpad

Bursary programme for Sutton Trust alumni taking part in Sutton Trust career programmes.

Sutton Trust Careers Plus

An undergraduate programme to support non-privileged students during their degree.

Sutton Trust Online

A digital programme to expand the reach of traditional Sutton Trust programmes.

Employability & Post 18 General Fund

Funding received from a number of partners to support the Trust's wider employability programmes.

UK Summer Schools

The Trust's flagship programme supporting students to access the UK's leading universities.

US Programme

A programme to support UK state school students to study at leading US universities.

Innovation Projects

A new pillar of work, designed to invest in new activities that tackle specific challenges within the social mobility landscape.

Research and Policy

A fund supporting the Trust's research into social mobility, and also supporting the Trust's work with policy-makers.

Apprenticeship Campaigns

A fund focussing on the Trust's Apprenticeship Campaign across research and programmes.

Apprenticeship Research

A fund focussing on the Trust's Apprenticeship Research.

THE SUTTON TRUST
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18. STATEMENT OF FUNDS (continued)

Restricted funds (continued)

COSMO: Cohort Study

A major new national longitudinal cohort study which will examine the short, medium and long term impacts of the COVID-19 pandemic on educational inequality and social mobility.

Data Analysis & Insights

A fund focussing on building capacity within the Trust's data and impact function.

Early Years

A project to explore communication and early language.

Early Years Campaign

A fund focussing on the Trust's early years research.

Employability Research

A fund focussing on the Trust's employability research.

THE SUTTON TRUST
NOTES TO THE FINANCIAL STATEMENTS
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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds		Restricted funds	Total
	General 31 August 2022 £	Designated 31 August 2022 £	31 August 2022 £	31 August 2022 £
Tangible fixed assets	63,001	-	-	63,001
Investments	-	2,231,576	5,057,411	7,288,987
Debtors	837,048	-	43,954	881,002
Cash at bank and in hand	3,493,837	-	6,251,779	9,745,616
Current liabilities	(273,473)	-	(2,127,198)	(2,400,671)
Non - current liabilities	(44,562)	-	(4,580,200)	(4,624,762)
Total net assets	4,075,851	2,231,576	4,645,746	10,953,173

	Unrestricted funds		Restricted funds	Total
	General 31 August 2021 £	Designated 31 August 2021 £	31 August 2021 £	31 August 2021 £
Tangible fixed assets	69,369	-	-	69,369
Investments	-	2,520,888	5,351,085	7,871,972
Debtors	134,044	-	345,107	479,151
Cash at bank and in hand	3,766,900	-	5,708,640	9,475,541
Current liabilities	(172,819)	-	(1,063,237)	(1,236,056)
Non - current liabilities	-	-	(4,859,620)	(4,859,620)
Total net assets	£3,797,494	£2,520,888	£5,481,975	£11,800,357

20. LEGAL STATUS

The Sutton Trust is a Charitable Company limited by guarantee with no share capital. In the event of the Charitable Company being wound up, each of the Members (while he or she remains a Member or within one year after he or she ceases to be a Member) have agreed to pay up to £1 each towards:

- Payment of those debts and liabilities of the Charitable Company incurred before he or she ceased to be a Member;
- Payment of the costs, charges and expenses of winding up, and
- The adjustment of rights of contributors among themselves.

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21. FINANCIAL INSTRUMENTS

The carrying amounts of the Charitable Company's financial instruments are as follows:

	31 August 2022 £	31 August 2021 £
<i>Financial assets</i>		
Measured at fair value through profit and loss	17,034,603	17,347,513
Measured at amortised cost:		
Other debtors (Note 10)	<u>7,754</u>	<u>12,240</u>
	31 August 2022 £	31 August 2020 £
<i>Financial liabilities</i>		
Measured at amortised cost		
Trade creditors (Note 11)	168,254	74,636
Other creditors and accruals (Note 11)	<u>138,396</u>	<u>92,800</u>

Financial assets measured at fair value relate to cash at bank and in hand of £9,745,616 (2021 - £9,475,541) and investments of £7,288,987 (2021 - £7,871,972).

Financial assets measured at amortised cost relate to other debtors.

Financial liabilities measured at amortised cost include trade creditors, other creditors and accruals.

There were net losses of £517,678 (2021 - net gains £628,448) attributable to the Charitable Company's financial instruments.