

Company number: 1686164  
Charity Number: 286621

# Edge Foundation

Report and financial statements  
For the year ended 31 December 2022



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## Edge Foundation

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## Edge Foundation

### Reference and administrative information

For the year ended 31 December 2022

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**Company number** 1686164

**Charity number** 286621

**Registered office and operational address** 44 Whitfield Street, London W1T 2RH

**Trustees** Trustees, who are also directors under company law, who served during the financial year and up to the date of this report are as follows:

Neil Bates – Chair  
Professor Ann-Marie Bathmaker  
Michael Butler  
Pauline Daniyan  
Toby Peyton-Jones (resigned 18<sup>th</sup> May 2022)  
Professor Colin Riordan (resigned 9<sup>th</sup> March 2022)  
Andrew Stevens  
Elaine Lilley  
Rebecca Garrod Waters (appointed 9<sup>th</sup> March 2022)  
Amma Anderson (appointed 9<sup>th</sup> March 2022)  
Charles Rollason (appointed 8<sup>th</sup> March 2023)

<b>Key management personnel</b>	Alice Barnard	Chief Executive
	Oliver Newton	Executive Director
	Ben Dowdeswell	Company Secretary

**Bankers** HSBC  
16 King Street  
Covent Garden  
London WC2E 8JF

**Solicitors** Russell-Cooke  
2 Putney Hill  
Putney  
London SW15 6AB

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

The Trustees present their report and the audited financial statements for the year ended 31 December 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## **1 Purpose, aims, objectives and activities**

As set out in the Foundation's memorandum and articles of association, Edge's purpose is to promote, develop and encourage the advancement of education. The Trustees have agreed to concentrate on the paths people take from secondary education and Further Education through Higher Education to the world of work, focusing on how to make all aspects of education more relevant.

The Edge Foundation believes all young people should have the opportunity to achieve their potential by 'Making Education Relevant'.

We believe in high quality professional education and training, a broad and balanced curriculum, interactive and engaging real-world learning and rich relationships between education and employers. In 2020, the Board approved a five-year strategic plan and updated the strapline of the organisation to 'Making Education Relevant'. In doing so, they set out the following vision for the organisation:

Making education relevant for:

- all – promoting greater equity in our society
- the real world – making sure that learning is engaging and exciting
- employability – ensuring that all young people are ready for work
- communities – tailoring solutions to the different nations, regions and places around the UK
- the future – preparing young people for our changing world and economy

## **2 Strategic report**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's Aims and Objectives, and when planning its future activities all activities are undertaken for the purpose of furthering the Foundation's charitable purposes for the public benefit.

### **Research Review Group**

Edge chairs a Research Review Group which brings together leading academics and researchers, research commissioners and policymakers. It aims to improve the overall quality and effectiveness

of research in this area by providing an overview of the work being done to identify cold and warm spots, whilst minimising overlap and promoting collaboration. The group has been recognised as an example of good practice by the research community.

This year, Edge has further increased the strength of the group and continued to build on its success by leading a series of more specific research groups, including those on skills shortages in the UK economy, European vocational education research, innovation in Higher Education, and education in an island context.

Find out more about the full range of networks at <http://www.edge.co.uk/research-policy/networks>.

### **Supporting Emerging Researchers**

Edge brings together a network of more than 20 Emerging Researchers (who are undertaking or have recently finished their PhD) working in the areas covered by the charity's interests. It provides networking and peer support opportunities including a termly Network meeting as well as support to help these researchers present their work at conferences.

Edge also sponsors collaborative studentship PhDs at the University of Oxford, Kings College London (KCL) and Sheffield Hallam University. Through these activities, we are building the next generation of researchers working in this area.

Find out more about the support for emerging researchers at <https://www.edge.co.uk/research/research-networks/emerging-researchers-network/>

### **Primary Research**

Edge has developed its own expertise and in-house capacity for independent primary research on projects that further the charity's Aims, often working with partners who share similar objectives. This year, we completed several pieces of primary research, including:

- Greening Construction: A complex challenge for jobs, skills, and training (with Oxford University) - <https://www.edge.co.uk/research/projects/research-reports/greening-construction-a-complex-challenge-for-jobs-skills-and-training/>
- Highlands College: Redesigning the Curriculum - Review of Best Practice (with University College London) - <https://www.edge.co.uk/research/projects/research-reports/highlands-college-redesigning-the-curriculum-review-of-best-practice/>
- Responding to Covid-19: Experiences of vocational learning and teaching from colleges in the British Isles - <https://www.edge.co.uk/research/projects/research-reports/responding-to-covid-19-experiences-of-vocational-learning-and-teaching-from-colleges-in-the-british-isles/>

## Edge Foundation

### Trustees' annual report

#### For the year ended 31 December 2022

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We have developed further our strand of research around learning from past policy initiatives, including updating *Honourable Histories*, the 30+ year chronology of change in Further Education, as well as publishing a series of individual policy reviews, a 30 year history of youth employment initiatives and a longer-term history of FE, *Before Incorporation*. All of this material can be found at: <https://www.edge.co.uk/research/Learning-from-the-past/>.

We have also continued the successful partnership with KCL funded by the Economic & Social Research Council (ESRC) for the four-year longitudinal study 'Young Futures, Young Lives' that will look at how young people make post-16 transitions.

Find out more about this research project at <https://www.ylyf.co.uk/>

### External Research

Edge works with associate researchers in a number of respected University Departments and research organisations to support them in undertaking high quality research that takes forward the charity's aims and improve practice in the sector. Key pieces of external research this year included:

- Investigating the potential use of long-term school and college destination measures (NFER): <https://www.edge.co.uk/research/projects/research-reports/investigating-the-potential-use-of-long-term-school-and-college-destination-measures/>
- The annual Youth Voice Census run by Youth Employment UK - <https://www.youthemployment.org.uk/dev/wp-content/themes/yeuk/files/youth-voice-census-report-2022.pdf>

In addition, we have continued a piece of external research (led by ICF) looking at the evaluation of the Edge grant fund.

### Skills Shortages in the UK Economy

Edge continued to publish biannual bulletins on the current state of the UK economy and the future of the labour market which are widely read and used in the sector.

- Bulletin 10 - <https://www.edge.co.uk/research/projects/skills-shortages-uk-economy/skills-shortages-bulletin-10/>
- Bulletin 11 - <https://www.edge.co.uk/research/projects/skills-shortages-uk-economy/skills-shortages-bulletin-11/>

We also publish and keep up to date a short summary of the key messages from across this series which we know is of particular use to busy policymakers and practitioners - <https://www.edge.co.uk/research/projects/skills-shortages-uk-economy/Skills-Shortages-Bulletin-Summary/>.

### **Debating the First Principles of English Vocational Education**

Edge continued to lead a series of debates in partnership with KCL and the UCL Institute of Education to discuss the fundamental principles of education philosophy in the context of the English vocational education system.

At the end of 2022, we ran the first in our latest series of three debates looking at the question of *What is an apprentice?* – <https://www.edge.co.uk/news-and-events/blogs/philosophy-of-vocational-education-debate-what-is-an-apprentice/>. This will be followed by a further two debates in this series and then a latest publication in early 2023.

### **Study Visits**

In addition to our European Vocational Education Research Network, which meets termly, Edge leads virtual study visits to gather and disseminate the most effective practice in technical and professional education from other countries.

In 2022 we 'visited' Australia – you can read more about our findings from the visit at <https://www.fenews.co.uk/exclusive/insights-from-australias-technical-and-further-education-tafe-system/> and <https://www.edge.co.uk/news-and-events/blogs/connect-n-grow-health-and-social-care-training-in-australian-high-schools/>.

### **Policy Network**

Building on the success of our various research networks, in 2021 we founded our Edge policy network, which grew in 2022 to more than 100 members who lead policy development in charities, think tanks, awarding organisations and others with an interest in vocational education policy making.

The group meets 5–6 times a year to discuss and debate policy ideas or to hear from senior government officials.

### **Policy Campaigns**

Edge is leading or co-leading a range of policy campaigns to push for change, building on our research evidence and that of our partners.

The charity helped to found the 'Rethinking Assessment' movement. to develop and push for new means of multimodal assessment that go beyond written exams to value the wider skills and attributes that young people develop, and continues to be a key member of coalition – <https://www.rethinkingassessment.com/>.

Edge also helped to found the #ProtectStudentChoice movement which has been pressing for the government to rethink its plans to scrap the BTECs and associated qualifications. Having led a

## **Edge Foundation**

### **Trustees' annual report**

#### **For the year ended 31 December 2022**

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petition of over 100,000 signatures the campaign secured a debate on the issue in Parliament – <https://www.protectstudentchoice.org/>.

Edge co-developed a new campaign called Save Our Subjects during 2022 with the Independent Society of Musicians to push for the retention and expansion of technical and creative subjects in schools. This will launch in early 2023.

#### **Four Nations Policy Work**

Edge champions greater connection and joint work between the four nations of the UK and the Crown Dependencies around the UK (e.g. Isle of Man, Channel Islands).

The charity co-founded and sponsors the Four Nations College Alliance, run by the Association of Colleges, which brings together College Principals and senior FE policymakers from all four nations of the UK regularly to discuss the future of the sector.

Edge also works directly with government agencies in all four nations to provide independent support and facilitation to enhance their work. In 2022, Edge supported stakeholder workshops for the Northern Ireland Government's vocational skills strategy and a series of workshops for Skills Development Scotland looking at the future of apprenticeships and vocational education – <https://www.edge.co.uk/policy/our-work-across-the-four-nations/>.

#### **Responses to Consultations and Select Committees**

During the year, the Edge Foundation provided detailed and constructive responses to public consultations by both the government and Select Committees of both Houses. The full list of policy responses is at <https://www.edge.co.uk/policy/policy-responses/>.

Edge helped to co-found the APPG on assessment with the National Education Union (NEU) and gave oral evidence twice to the Education Select Committee (<https://www.edge.co.uk/policy/parliamentary-committees/education-select-committee-september-2022/> and <https://www.edge.co.uk/policy/parliamentary-committees/education-select-committee/>) and to the House of Lords Digital Committee (<https://www.edge.co.uk/policy/parliamentary-committees/house-of-lords-committee/>) during 2022.

#### **Deeper Learning**

Building on our partnerships with leading school and college models around the world, in 2022, the Edge Foundation founded Deeper Learning UK, to draw together all of the organisations (Multi-Academy Trusts, College Groups and other voluntary sector organisations) practicing or championing the new approaches to pedagogy that we have been encouraging, in particular project based learning and real world learning.



## **Edge Foundation**

### **Trustees' annual report**

#### **For the year ended 31 December 2022**

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We hosted a very successful first meeting of the group in Sheffield September to agree the focus and initial membership and will continue to build this community further during 2023.

We also did extensive work during 2022 on a new free-access part of our website which will provide practitioners in schools and colleges with free videos and resources to help them develop their pedagogy. This will launch publicly in 2023.

### **Edge Hotel School**

The Edge Hotel School celebrated its tenth-year anniversary. Since welcoming its first students in 2012 Edge Hotel School (EHS) has racked up a string of achievements including a top ranking for student satisfaction; helping a graduate reach the semi-finals of The Apprentice; a hotel of the year award shortlisting; and sending students to The Brits.

The Anniversary event not only marks the first ten years but, more significantly, marks the start of another decade of preparing the next generation of innovative and flexible professionals for an industry which continues to face significant challenges...but which will need the inspired vision and skills that EHS students can bring. But the real cause of Edge Hotel's ten years of success is the students themselves who continue to work hard in their journey to become the next leaders of the hospitality and events industry.

Now part of the humanities faculty at the University of Essex, continues to offer a different approach to higher education, offering accelerated and standard degrees in Hotel Management and Events Management with Hospitality, together with working alongside professionals in the 4\* Wivenhoe House hotel.

### **Edge Grant Fund**

*In light of the progressive nature of the rest of the organisation's work, the Trustees felt that it was necessary to review the future purpose and reach of the fund in 2022. The decision was taken to cease the grant fund and focus attention on the work of the Edge team, in association with its partners and stakeholders to achieve its strategic objectives.*

### **AoC Beacon Award**

The AoC Beacon Awards, now in their 25th year, highlight the breadth and quality of education in colleges throughout the UK, helping to increase the understanding of colleges' contribution to their communities' economic and social development.

Edge has for a number of years supported an award which recognises, celebrates and promotes examples of excellent practical teaching which champion real world learning.

## Edge Foundation

### Trustees' annual report

#### For the year ended 31 December 2022

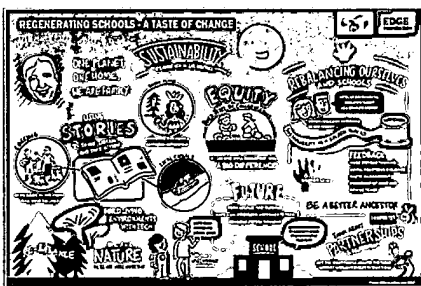
The 2022 award was won by Walsall College for a programme taking work experience online during the pandemic

#### Sponsorship

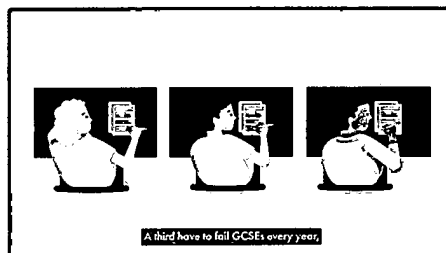
- Edge supported the following events, awards and initiatives.
- Podcast series Design for Life as part of a collaboration between Edge and the **Design and Technology Association**. The aim of this project is to inspire and encourage young people considering training and careers in this sector.
- **STEAMCo** to inspire and ignite creativity in our schools, work and lives.
- The Day **Global Campaigning Journalist of the Year Award**
- Breakfast panel session– **Employment & Skills Convention Learning and Work**

#### Bringing our messages to life

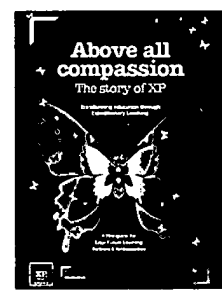
In 2022 the comms team worked with a range of creative professionals to develop a variety of engaging content for our channels.



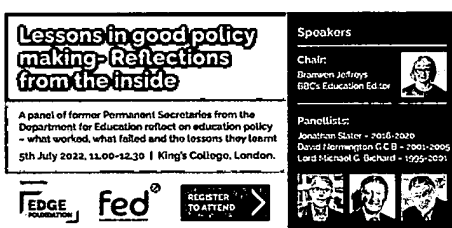
Illustrations



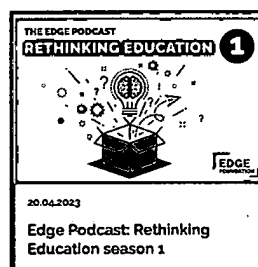
Videos



Film



Event graphics



Podcasts

#### Education Comms Network (ECN)

In 2022 ECN, the network (founded by Edge) for Senior Marketing and Communications Professionals working across the education sector surpassed 100 members. Meetings are hosted by Edge online, once a term, and provide a useful forum for the dissemination of Edge research and events.

## Edge Foundation

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#### Edge Youth Network

The Youth Network was created in July 2022 to offer young people the opportunity to share their opinions and experiences on the education system. This group is led by Lulu McConville, Digital Marketing Officer who joined Edge in April 2022.

#### Brand

In 2022 our pop-up banners and events collateral were refreshed to reflect our updated branding.

#### Conferences and events 2022

##### **22<sup>nd</sup> January Graduate Apprenticeships: Developing Scotland's Future Workforce (Webinar)**

###### Panellists

- Olly Newton, Executive Director of Edge Foundation (Chair)
- Andrea Laczik, Edge's Head of Research
- Paul Campbell, Head of Learning and Organisational Development at Scottish Water
- Chair of the Scottish Apprenticeship Advisory Board (SAAB) Employer Engagement Group
- David Scott, Graduate Apprentice at Aviva and Scottish Apprenticeship Advisory Board (SAAB) Apprenticeship Engagement Group member
- Helyn Gould, Deputy Associate Principal, Learning and Teaching at University of Strathclyde.

##### **24<sup>th</sup> February 2022 Education Commission Showcase (Webinar)**

Edge brought together the leaders of the most important Commissions, Committees and groups working at the forefront of education change to share their work. Contributors included;

- Olly Newton, Executive Director of Edge Foundation (Chair)
- Lord Shipley, Chair of the House of Lords Youth Unemployment Committee
- Rachel Sylvester, Chair of the Times Education Commission
- Prof Louise Hayward, Chair of the Independent Assessment Commission
- Peter Hyman, One of the leaders of the Rethinking Assessment movement
- Sir Ian Diamond, Chair of the Independent Commission on The College of the Future
- Edge CEO, Alice Barnard

##### **8th March Current Further Education Policy (Online meeting)**

Final session of a three-part series reflecting on current Further Education policy in England, including the Government's recent Skills for Jobs White Paper. Contributors included;

- Professor Chris Winch, KCL (Chair)
- Keith Smith Director for Post-16 Strategy, Department for Education
- Harry Leech Head of Skills, HM Treasury
- David Russell, CEO of the Education and Training Foundation
- Beth Chaudhary, Strategy Director at Institute for Apprenticeships and Technical Education
- Frank Quinn, Head of Standards and Frameworks, Skills Development Scotland

## **Edge Foundation**

### **Trustees' annual report**

#### **For the year ended 31 December 2022**

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##### **16th March Green jobs in Construction (Online meeting)**

Online meeting to share findings from research conducted by SKOPE and The Environmental Change Institute at the University of Oxford and the Edge Foundation focusing on the issues facing the construction industry as we attempt to reach net zero. Speakers included;

- Craig Thorley, Head of Labour Markets and Sectors Strategy, Department for Education
- Prof Chris Winch, King's College London
- Brian Berry, Chief Executive, Federation of Master Builders
- Teresa Frith, Senior Skills Policy Manager, Association of Colleges

##### **17th March Regenerating Schools – A Taste of Change (Webinar)**

This online session with Professor Rob Barrett, introduced school leaders and student leaders to the theme of educating for a more sustainable future.

##### **9th May Understanding Pupil Destinations (Webinar)**

Online showcase and discussion on analysis of the Longitudinal Education Outcomes (LEO) dataset  
Speakers included;

- Karen Powell, Head of Research Strategy & Commissioning, ADR UK Strategic Hub
- Sandra McNally, Director of the Centre for Vocational Education Research
- Jude Hillary, Head of Systems and Optimal Pathways Portfolios at the National Foundation for Educational Research
- Jenna Julius, Senior Economist at the National Foundation for Educational Research
- David Robinson, Director, Post 16 and Skills at the Education Policy Institute
- Alaster Smith, Head of Research Evidence and Engagement at Department for Education.

##### **9th June Good Policy-Making (In person)**

Alongside colleagues at the Foundation for Education Development, we were delighted to bring together a panel of past Permanent Secretaries including Lord Michael Bichard (1995–2001), David Normington C.C.B (2001–2005) and Jonathan Slater (2016–2020), chaired by the BBC's Education Editor Branwen Jeffreys to explore these ideas.

##### **17th November Employment and Skills Convention, Learning and Work (In person)**

Breakfast session: Skills Shortages and the Future of the Labour Market

##### **Research presentations**

Open University Business Barometer – Phil Kenmore, Director Corporate Development and Partnerships, Open University

Youth Census – Laura-Jane Rawlings, CEO, Youth Employment UK

Skills Imperative 2035 – Lisa Morrison-Coulthard, Research Director: Optimal Pathways Development, NFER (Presented by Olly Newton, Edge Foundation)

##### **Reflections discussion**

Kat Emms, Senior Researcher, Edge Foundation

Naomi Bates, SEE Business Partner – Education and Careers, Balfour Beatty VINCI

James Norris, Assistant Principal, Commercial Development, Walsall College

**17th November Regenerating schools (In person)**

Professor Rob Barratt, Eden Project Chair of Education and Engagement, University of Lancaster

The focus for communications in 2023 will be to deliver high quality content that engages, informs and challenges the policy makers whilst offering inspiration and solutions.

### **3 Plans for the future**

The Edge Foundation will continue to position itself as the leading organisation promoting innovative models of education to prepare people for their future careers, from primary school right through to lifelong learning. The direction of Edge over the next three years is contained within the strategy document which expires in 2025. A review of the strategic plan will take place in advance of its expiration.

With this in mind, Edge wishes to focus on providing constructive solutions that redefine the debate. This will evolve over the coming year, but until the new strategy is crystallised, we will focus on:

- Developing and expanding our work on Deeper Learning UK to provide instant free access to practitioners to a wide range of pedagogy training materials and to create a broad and active community of organisations championing and sharing this practice.
- Leading high-quality primary, joint and commissioned research work, continuing to build a strong reputation for research and evidence in the vocational education space.
- Continue to lead effective policy development and campaigning including on broadening the school curriculum, multimodal assessment, apprenticeships, BTECs and associated vocational qualifications.

Edge also aims to continue to play a central coordinating and convening role, bringing together a range of organisations and partners to support technical and professional education. This will include:

- Chairing the Research Review Group and other specific research groups to provide a forum to share plans and results of research on technical and professional education.
- Continuing to coordinate a program of support for early career researchers to train the next generation of academics in this field.
- Continuing to develop our UK and international deeper learning networks to share practice and champion this approach.
- Building and continuing to strengthen our successful policy and communications networks.

## 4 Financial review

Total income for the year was £0.61m (2021: £0.65m), the majority of which is investment income. Resources expended during the year were £1.95m (2021: £2.04m), which resulted in net outgoing resources before investment disposals or revaluations of £1.34m (2021: £1.39m). After a decrease in the value of investments of £2.55m (2021: £0.46m increase) the result was a deficit of £3.89m (2021 deficit: £0.93m). Net assets at 31 December 2022 were £21.56m (2020: £25.46m) including £12.25m (2021: £21.68m) held as long-term investments.

### Principal risks and uncertainties

The Board has identified the major risks facing the charity, and the Finance Committee reviews these in detail to ensure that these risks are managed. Such issues are reported to the Board and the Board reviews the risk register on an annual basis.

The principal risks are:

- Edge may have an insufficiently clear purpose, mission and direction. This risk is mitigated by the Trustees developing a clear strategy in conjunction with the Senior Management. The Senior Management is then responsible for implementing. If deemed necessary, additional Trustee meetings are held specifically to review and/or revise strategy. Strategy is reviewed on an annual basis as part of the annual budgeting process.
- A conflict of interest may arise among Trustees. To mitigate this risk, Edge has a clear conflicts of interest policy, including conflicted Trustees absenting themselves from meetings when conflicted, and abstaining from taking any part in conflicted decisions. When necessary, Edge specifically recruits non-conflicted Trustees to ensure independence is maintained.
- Association with a failed project may cause damage to Edge's reputation. To mitigate this risk, an assessment process is carried out by senior staff prior to any new project being funded. Major risks are highlighted to the Board of Trustees prior to approval of the project. Projects are closely monitored by senior staff and any emerging issues are reported to the Board of Trustees.

The Trustees consider the company's status as a going concern, including its financial security, the adequacy of its reserves and the robustness of future financial forecasts. Edge Foundation has undertaken a re-appraisal of expenditure across a number of areas and made conservative future budget projections. There is a reasonable level of confidence attached to the current projections, which do not threaten the solvency of Edge Foundation or its status as a going concern. Current resources provide the company with sufficient financial strength to withstand a significant downturn within the coming twelve months, while income and expenditure remain carefully controlled.

Prior to a new project being undertaken, an assessment process is carried out by Senior Management to identify any potential risks to the charity. Any significant risks are highlighted to the Board as appropriate prior to approval of the project.

**Reserves policy and going concern**

At 31 December 2022 the reserves of Edge are £21.56m (2021 £25.46m). The charity's reserves are required to provide sufficient income to cover the budgeted annual expenditure. Edge does not have any other significant sources of income and is therefore reliant on the reserves to generate sufficient return for its ongoing operations. The Board approves expenditure of the reserves to increase the effectiveness of the charity over the medium term. For 2023 it has approved £2.2m of expenditure.

**Investment policy and performance**

The charity's investment policy during 2022 included a target to obtain a return of between 3 and 4% p.a. from the portfolio without diminishing the capital value of the fund (adjusted for inflation).

Due to macro economic circumstances, the charity saw a significant decrease in investment values during the first half of the year resulting in a loss of £2.55m. In response and following deliberation between the executive, board and finance committee, £10m of investment funds were liquidated into cash deposits to protect the charity's financial position during the volatile economic period. The remaining investment funds of £12.2m were immediately reviewed for suitability and amended accordingly, taking into account social, environmental and ethical investment considerations.

**Fund Raising policy**

The Trustees are aware of their obligations under the Charities Act to report the charity's fundraising policy. We occasionally engage with statutory funders, trusts and foundations in order to raise our income but do not engage in public fundraising or use commercial fundraisers. There have been no instances of complaints or non-compliance with any code.

## **5 Structure, management and governance**

The organisation is a charitable company limited by guarantee, incorporated on 10 December 1982 and registered as a charity on 4 May 1983. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 7 to the accounts.

**Appointment of Trustees**

A nominations committee set up by the Board helps to ensure that new Trustees are selected by establishing that their skills complement those of the existing members, thereby guaranteeing

that the membership reflects all the activities of the charity. Members are elected to the Board by a majority vote of the members present at the Board meeting.

**Trustee induction and training**

To ensure effective performance, new members are provided with information to inform them of the governance of the charity, the current and future activities of the charity, the financial status of the charity and details of other Board members and key staff.

**Related parties and relationships with other organisations**

See Note 22 for details of related parties and connected organisations.

**Remuneration policy for key management personnel**

The Trustees consider the Board of Trustees and the Chief Executive as comprising the key management team of the charity. No Trustees receive any remuneration. The remuneration of the Chief Executive is reviewed annually during an appraisal by the Chairman. A bonus is considered as part of that process and requires Board approval. The Board also approves the annual cost of living pay rises for all staff. Remuneration is, when necessary, benchmarked initially with similar organisations to ensure fair and in line with general remuneration levels for similar roles.

**Statement of responsibilities of the Trustees**

The Trustees (who are also directors of Edge Foundation for the purposes of company law) are responsible for preparing the Trustees' annual report 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 which 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;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in 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



## Edge Foundation

### Trustees' annual report

#### For the year ended 31 December 2022

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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 auditors are 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 auditors are aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2022 was 8 (2021: 8). The Trustees are members of the charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

#### Auditor

Sayer Vincent LLP were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

The Trustees' annual report, which includes the strategic report, has been approved by the Trustees on 31st May 2023 and signed on their behalf by



Neil Bates FCGI  
Chairman

## Independent auditor's report

To the members of

Edge Foundation

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### Opinion

We have audited the financial statements of Edge Foundation (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 December 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
- Have been prepared in accordance with the requirements of the Companies Act 2006

### Basis for opinion

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

### Conclusions relating to going concern

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 Edge Foundation'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 other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

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

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

## **Independent auditor's report**

### **To the members of**

#### **Edge Foundation**

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company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 are set out below.

### **Capability of the audit in detecting irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

## Independent auditor's report

To the members of

### Edge Foundation

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- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://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.

Noelia Serrano (Senior statutory auditor)

Date 16 June 2023

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

Edge Foundation

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2022

	Note	Unrestricted £'000	Restricted £'000	2022 Total £'000	Unrestricted £'000	Restricted £'000	2021 Total £'000
<b>Income from:</b>							
Charitable activities	2	7	133	140	53	25	78
Investments	3	471	-	471	577	-	577
<b>Total income</b>		<b>478</b>	<b>133</b>	<b>611</b>	<b>630</b>	<b>25</b>	<b>655</b>
<b>Expenditure on:</b>							
Raising funds	4	81	-	81	98	-	98
Charitable activities:							
Research	4	1,148	17	1,165	1,012	22	1,034
Promotion and PR	4	139	-	139	156	-	156
Public Affairs	4	95	-	95	89	-	89
Education	4	359	116	475	665	3	668
<b>Total expenditure</b>		<b>1,822</b>	<b>133</b>	<b>1,955</b>	<b>2,020</b>	<b>25</b>	<b>2,045</b>
<b>Net expenditure before net (losses)/gains on investments</b>		<b>(1,344)</b>	<b>-</b>	<b>(1,344)</b>	<b>(1,390)</b>	<b>-</b>	<b>(1,390)</b>
(Losses) / Gains on investments	12	(2,551)	-	(2,551)	458	-	458
<b>Net expenditure for the year and movement in funds</b>		<b>(3,895)</b>	<b>-</b>	<b>(3,895)</b>	<b>(932)</b>	<b>-</b>	<b>(932)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		25,458	-	25,458	26,390	-	26,390
<b>Total funds carried forward</b>		<b>21,563</b>	<b>-</b>	<b>21,563</b>	<b>25,458</b>	<b>-</b>	<b>25,458</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the financial statements.

# Edge Foundation

## Balance sheet

Company no. 1686164

As at 31 December 2022

	Note	£'000	2022 £'000	£'000	2021 £'000
<b>Fixed assets:</b>					
Tangible assets	10		101		120
Intangible assets	11		44		73
Investments	12		12,252		21,676
			<u>12,397</u>		<u>21,869</u>
<b>Current assets:</b>					
Debtors	13	120		141	
Cash at bank and in hand		3,337		3,846	
Short Term Deposits		6,000		-	
		<u>9,457</u>		<u>3,987</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	14	276		383	
				<u>383</u>	
<b>Net current assets</b>			<u>9,181</u>		<u>3,604</u>
<b>Total assets less current liabilities</b>			<u>21,578</u>		<u>25,473</u>
Creditors: amounts falling due after one year	16		15		15
			<u>15</u>		<u>15</u>
<b>Total net assets</b>			<u>21,563</u>		<u>25,458</u>
<b>The funds of the charity:</b>	17				
Unrestricted income funds:					
Revaluation reserve			(553)		1,407
General funds			22,116		24,052
			<u>21,563</u>		<u>25,458</u>
<b>Total charity funds</b>			<u>21,563</u>		<u>25,458</u>

Approved by the trustees on 31st May 2023 and signed on their behalf by



Neil Bates FCGI  
Chairman

Edge Foundation

Statement of cash flows

For the year ended 31 December 2022

	Note	2022 £'000	2021 £'000
<b>Cash flows from operating activities</b>			
<b>Net cash (used in) operating activities</b>	19	(1,744)	(2,055)
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		471	577
Purchase of fixed assets		(6)	(14)
Purchase of intangible fixed assets		(24)	(12)
Capital drawdown from investments		6,794	1
<b>Net cash provided by investing activities</b>		<u>7,235</u>	<u>552</u>
<b>Change in cash and cash equivalents in the year</b>		<b>5,491</b>	<b>(1,503)</b>
Cash and cash equivalents at the beginning of the year		<u>3,846</u>	<u>5,349</u>
<b>Cash and cash equivalents at the end of the year</b>		<u><b>9,337</b></u>	<u><b>3,846</b></u>



## Edge Foundation

### Notes to the financial statements

#### For the year ended 31 December 2022

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##### 1 Accounting policies

###### a) Statutory information

Edge Foundation is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 44 Whitfield Street, London, W1T 2RH.

###### b) 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), the Charities Act 2011 and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

###### c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

###### d) Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. In particular the trustees have considered the impact of the coronavirus pandemic on the charity's operations. The Trustees have concluded that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The Trustees do not consider that there are any key judgements that the charitable company has made which have a significant effect on the accounts.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

###### e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

###### f) Interest receivable

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

###### g) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Funds are mainly generated from the long term investment fund.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

###### h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the fees we are charged for the management on our investment portfolios.
- Expenditure on charitable activities includes the costs of delivering services, exhibitions and other educational activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

**1 Accounting policies (continued)**

**h) Expenditure and irrecoverable VAT (continued)**

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**i) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

● Promotion and PR	5%
● Public Affairs	6%
● Education	13%
● Research	65%
● Support costs	9%
● Governance costs	2%

**j) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**k) Depreciation and amortisation**

**Tangible fixed assets:**

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Computer equipment	2 years
● Furniture and fittings	5 years
● Leasehold improvements	Over the length of the lease

**Intangible assets:**

Intangible assets are capitalised at cost and amortised to write off the cost over the estimated useful life.

● Website costs	between 3 to 5 years
● CRM costs	between 3 to 5 years

Website and CRM costs have been capitalised within intangible assets as they can be identified with a specific project anticipated to produce future benefits. Once brought into use they will be amortised on the straight line basis over the anticipated life of the benefits arising from the completed project.

**1 Accounting policies (continued)**

**l) Listed investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

**m) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**n) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**o) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**p) Grants Payable**

Grants payable are charged to the Statement of Financial Activities in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

**q) Pensions**

All pension schemes are defined contribution schemes and the costs are therefore accounted for in full as they are incurred on a monthly basis.

**2 Income from charitable activities**

	Unrestricted £000's	Restricted £000's	2022 Total £000's	2021 Total £000's
AoC Charitable Trust	-	1	1	-
AMBS University of Manchester	-	2	2	-
King's College London	-	18	18	17
Creative Education Trust	-	-	-	1
Doncaster Opportunity Area	-	1	1	1
Greater Manchester Combined Authority	-	100	100	-
Highlands College	-	-	-	30
Oxford University Innovation Limited	-	-	-	5
Southern Regional College	-	-	-	1
Skills Development Scotland	5	-	5	18
Tertiary Education Reform Division, Department for Economy	-	4	4	-
The Switch	-	7	7	-
XP School Visits	2	-	2	-
Other Consultancy	-	-	-	5
	<b>7</b>	<b>133</b>	<b>140</b>	<b>78</b>

**3 Income from investments**

	2022 Total Unrestricted £000's	2021 Total Unrestricted £000's
Income from long term investments	463	577
Interest on cash at bank	8	-
	<b>471</b>	<b>577</b>

Edge Foundation

Notes to the financial statements

For the year ended 31 December 2022

4a Analysis of expenditure

	Cost of raising funds £'000	Charitable activities					Support costs £'000	2022 Total £'000	2021 Total £'000
		Research £'000	Promotion and PR £'000	Public Affairs £'000	Education £'000	Governance costs £'000			
Staff costs	-	611	-	47	56	123	13	86	936
Research	-	130	-	-	-	-	-	-	130
Public Affairs	-	-	-	-	1	-	-	-	1
Edge Hotel School – Hotel Future	-	-	-	-	-	-	-	-	4
Grant Fund Monitoring	-	-	-	-	-	-	-	-	6
Edge Grant Fund	-	-	-	-	(105)	-	-	(105)	-
AOC Beacon Awards	-	-	-	-	9	-	-	9	15
Next Generation Learning	-	-	-	-	297	-	-	297	282
Other grants and sponsorship	-	-	-	-	66	-	-	66	9
Communications	-	-	60	-	-	-	-	60	69
Edge Events	-	-	-	-	-	-	-	-	2
Other employee costs	-	38	-	3	8	-	5	57	30
Premises and office costs	-	147	-	11	13	29	3	21	183
Administration and IT costs	-	130	-	10	12	26	3	18	199
Investment Management fees	81	-	-	-	-	-	-	81	98
	81	1,056	131	85	453	19	130	1,955	2,045
Support costs	-	95	-	7	9	19	-	(130)	-
Governance costs	-	14	-	1	1	3	(19)	-	-
<b>Total expenditure 2022</b>	<b>81</b>	<b>1,165</b>	<b>-</b>	<b>139</b>	<b>95</b>	<b>475</b>	<b>-</b>	<b>1,955</b>	
<b>Total expenditure 2021</b>	<b>98</b>	<b>1,034</b>	<b>-</b>	<b>156</b>	<b>89</b>	<b>668</b>	<b>-</b>		<b>2,045</b>

Accrued grant funds totalling £105,079.10 were written off during the year, shown in the Education column. Unsettled grants were identified and reviewed based on extended periods of non-responsive communication and/or incomplete milestones. Management is satisfied after several attempts to distribute outstanding grants to write these amounts back into the Statement of Financial Activities. This forms part of Grants Written Back in note 15.

Edge Foundation

Notes to the financial statements

For the year ended 31 December 2022

4b Analysis of expenditure (prior year)

	Cost of raising funds £'000	Charitable activities						2021 £'000	
		Research £'000	Promotion and PR £'000	Public Affairs £'000	Education £'000	Governance costs £'000	Support costs £'000		
Staff costs	-	534	-	55	51	229	17	81	968
Research	-	213	-	-	-	-	-	-	213
Public Affairs	-	-	-	-	10	-	-	-	10
Edge Hotel School – Hotel Future	-	-	-	-	-	4	-	-	4
Grant Fund Monitoring	-	-	-	-	-	6	-	-	6
AOC Beacon Awards	-	-	-	-	-	15	-	-	15
Next Generation Learning	-	-	-	-	-	282	-	-	282
Other grants and sponsorship	-	-	-	-	-	9	-	-	9
Communications	-	-	-	69	-	-	-	-	69
Edge Events	-	-	-	2	-	-	-	-	2
Other employee costs	-	17	-	2	2	7	-	3	30
Premises and office costs	-	101	-	11	10	43	3	15	183
Administration and IT costs	-	86	-	9	8	37	3	13	156
Investment Management fees	98	-	-	-	-	-	-	-	98
	98	951		148	81	632	23	112	2,045
Support costs	-	69	-	7	7	29	-	(112)	-
Governance costs	-	14	-	1	1	6	(23)	-	-
Total expenditure 2021	98	1,034	-	157	89	667	-	-	2,045

**Edge Foundation****Notes to the financial statements****For the year ended 31 December 2022****5 Grant making**

	2022 £'000	2021 £'000
AOC Charity	41	-
DMH Associates	7	-
At the end of the year	48	-

Grants are made to further Edge's mission and to support the strategic objectives of the charity. All grants are paid to institutions and none to individuals

**6 Net outgoing resources for the year**

This is stated after charging:

	2022 £'000	2021 £'000
Depreciation	24	21
Amortisation	31	24
Operating lease rentals:		
Property	136	136
Other	1	1
Auditors' remuneration (excluding VAT):		
Audit	11	9

**7 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel**

Staff costs were as follows:

	2022 £'000	2021 £'000
Salaries and wages	777	805
Social security costs	86	84
Employer's contribution to defined contribution pension schemes	42	49
Other forms of employee benefits	4	5
Other third parties and secondments	27	25
	<b>936</b>	<b>968</b>

The following number of employees received employee benefits (excluding employer pension costs and national insurance contributions) during the year between:

	2022 No.	2021 No.
£80,000 – £89,999	-	1
£90,000 – £99,999	-	1
£100,000 – £109,999	1	-
£120,000 – £129,999	-	1
£160,000 – £169,999	1	-

The total employee benefits including pension contributions and employer's NI contributions of the key management personnel were £305,421 (2021: £254,333).

The charity Trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). No charity Trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,742 (2021: £175) incurred by 3 (2021: 2) members relating to attendance at meetings of the Trustees.

**8 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2022 No.	2021 No.
Research	10	9
Promotion and PR	1	1
Public Affairs	1	1
Education	2	4
Support	1	1
	<b>15</b>	<b>16</b>



## 9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

## 10 Tangible fixed assets

	Leasehold improvements £'000	Fixtures and fittings £'000	IT equipment £'000	Total £'000
<b>Cost</b>				
At the start of the year	142	21	59	222
Additions in year	-	-	6	6
Disposals	-	-	-	-
At the end of the year	142	21	65	228
<b>Depreciation</b>				
At the start of the year	36	21	46	103
Charge for the year	14	-	10	24
Disposals	-	-	-	-
At the end of the year	50	21	56	127
<b>Net book value</b>				
At the end of the year	92	-	9	101
At the start of the year	107	1	13	120

All of the above assets are used for charitable purposes.

## 11 Intangible fixed assets

	Website costs £'000	CRM costs £'000	Total £'000
<b>Cost</b>			
At the start of the year	52	45	97
Additions in year	-	24	24
Disposals	-	(45)	(45)
At the end of the year	52	24	76
<b>Amortisation</b>			
At the start of the year	13	11	24
Charge for the year	17	14	31
Disposals	-	(24)	(24)
At the end of the year	30	2	32
<b>Net book value</b>			
At the end of the year	22	22	44
At the start of the year	39	33	73

Website and CRM development costs were completed in March 2021 and amortised over a period of 3 years. In October 2022 the CRM was updated to a new system, which is also being amortised over a period of 3 years. The old CRM costs have been treated as a disposal, and the residual NBV has been recognised as a cost in 2022.

All of the above assets are used for charitable purposes.

## Notes to the financial statements

## For the year ended 31 December 2022

## 12 Listed investments

	2022 £'000	2021 £'000
Fair value at the start of the year	21,676	21,316
Additions at cost	12,673	9,875
Disposal proceeds	(19,555)	(9,973)
Net gains on change in fair value	(2,551)	458
	<u>12,243</u>	<u>21,676</u>
Cash held by investment broker pending reinvestment	9	-
Fair value at the end of the year	<u>12,252</u>	<u>21,676</u>
Historic cost at the end of the year	<u>12,806</u>	<u>20,269</u>

## Investments comprise:

	2022 £'000	2021 £'000
Listed investments	12,243	21,676
Cash	9	-
	<u>12,252</u>	<u>21,676</u>

## 13 Debtors

	2022 £'000	2021 £'000
Trade debtors	11	27
Accrued income	23	40
Prepayments	86	74
	<u>120</u>	<u>141</u>

## 14 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Grant commitments	-	143
Trade creditors	121	79
Taxation and social security	42	31
Other creditors	54	77
Accruals	59	53
	<u>276</u>	<u>383</u>

**Edge Foundation****Notes to the financial statements****For the year ended 31 December 2022****15 Grant note**

	2022 £'000	2021 £'000
Balance at the beginning of the year	143	351
Grants written back during the year	(105)	-
Charged to expenditure	(105)	-
Paid in the year	(38)	(208)
Balance at the end of the year	-	143
Creditors : amounts due within one year	-	143

**16 Creditors: amounts falling due after one year**

	2022 £'000	2021 £'000
Dilapidations provision	15	15
	15	15

## 17a Movements in funds – current year

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At the end of the year £'000
<b>Restricted funds:</b>					
King's College London	-	18	(18)	-	-
AoC Charitable Trust	-	1	(1)	-	-
Greater Manchester Combined Authority	-	100	(100)	-	-
AMBS University of Manchester	-	2	(2)	-	-
Tertiary Education Reform Division, Department for Education	-	5	(5)	-	-
The Switch	-	7	(7)	-	-
<b>Total restricted funds</b>	-	133	(133)	-	-
<b>Unrestricted funds:</b>					
Revaluation reserve	1,407	-	(2,551)	591	(553)
General funds	24,051	478	(1,822)	(591)	22,116
	25,458	478	(4,374)	-	21,563
<b>Total funds</b>	25,458	611	(4,506)	-	21,563

**Purposes of restricted funds**

Greater Manchester Combined Authority funded a programme to support the development of school and college leaders in Greater Manchester.

The Switch funded the development of training materials to support young people to develop employability skills.

Kings College London funding supported the Young Lives Young Futures longitudinal research project looking at how young people aged 14-18 make transitions.

The AoC Charitable Trust, AMBS University of Manchester and Department for Economy funding supported Edge's wider research and policy work.

## 17b Movements in funds – prior year

	At the start of the year £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At the end of the year £'000
<b>Restricted funds:</b>					
King's College London	-	17	(17)	-	-
Creative Education Trust	-	1	(1)	-	-
Doncaster Opportunity Area	-	1	(1)	-	-
Oxford University Innovation Limited	-	5	(5)	-	-
Southern Regional College	-	1	(1)	-	-
<b>Total Restricted funds</b>	-	25	(25)	-	-
<b>Unrestricted funds:</b>					
Revaluation reserve	1,494	458	-	(545)	1,407
General funds	24,896	630	(2,020)	545	24,051
	26,390	1,088	(2,020)	-	25,458
	26,390	1,113	(2,045)	-	25,458

## 18a Analysis of net assets between funds

	Restricted funds £'000	Unrestricted funds £'000	Total funds £'000
Investments	-	12,252	12,252
Tangible fixed assets	-	101	101
Intangible fixed assets	-	44	44
Net current assets	-	9,181	9,181
Long term liabilities	-	(15)	(15)
	-	21,563	21,563

## 18b Analysis of net assets between funds – prior year

	Restricted £'000	Unrestricted £'000	Total funds £'000
Investments	-	21,676	21,676
Tangible fixed assets	-	120	120
Intangible fixed assets	-	73	73
Net current assets	-	3,604	3,604
Long term liabilities	-	(15)	(15)
	-	25,458	25,458

## 19 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2022 £'000	2021 £'000
Net expenditure for the reporting period (as per the statement of financial activities)	(3,895)	(932)
Depreciation charges	24	21
Amortisation charges	31	24
Loss on disposal of fixed assets	21	-
Investment fees	81	98
Losses / (Gains) on investments	2,551	(458)
Dividends, interest and rent from investments	(471)	(577)
Decrease in debtors	21	120
Decrease in creditors	(107)	(351)
Net cash (used in) operating activities	(1,744)	(2,055)

## 20 Analysis of cash and cash equivalents

	At 1 January 2022 £'000	Cash flows £'000	Other changes £'000	At 31 December 2022 £'000
Cash at bank and in hand	3,846	(509)	-	3,337
Total cash and cash equivalents	3,846	(509)	-	3,337

## Edge Foundation

### Notes to the financial statements

#### For the year ended 31 December 2022

#### 21 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2022 £'000	2021 £'000	Equipment 2022 £'000	2021 £'000
Less than one year	163	163	1	1
One to five years	122	285	-	-
	<u>285</u>	<u>448</u>	<u>1</u>	<u>1</u>

#### 22 Related party transactions

The Association of Colleges Charitable Trust:

In 2022 Edge Foundation made Grant Payments of £Nil were made to The Association of Colleges Charitable Trust (2021: £19,200) supporting the annual Beacon awards recognising outstanding college provision and institutional excellence. Jane Samuels formerly the Director of Projects and Partnership of Edge Foundation is a trustee of the Association of Colleges Charitable Trust, a registered charity.

Edge Hotel School:

In 2022 Edge Foundation made grant payments of £Nil to the Edge Hotel School which is part of the University of Essex (2021: £6,250). These payments were for continuing support of student scholarships and operations. Alice Barnard the Chief Executive of Edge Foundation and Jane Samuels formerly the Director of Projects and Partnerships of Edge Foundation are directors of the Wivenhoe House Hotel the home of the Edge Hotel School.

There were no other related party transactions in the year not disclosed above.

#### 23 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.