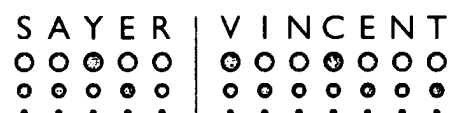


Company number: 1686164  
Charity Number: 286621

# Edge Foundation

Report and financial statements  
For the year ended 31 December 2020



## Edge Foundation

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#### For the year ended 31 December 2020

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## Edge Foundation

### Reference and administrative information

For the year ended 31 December 2020

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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 year and up to the date of this report were as follows:

Neil Bates Chair

Professor Ann-Marie Bathmaker

Michael Butler

Pauline Daniyan

Steve Gray appointed 1 April 2020

Sir Garry Hawkes resigned 23 September 2020

Elaine Lilley appointed 1 April 2020

Toby Peyton-Jones

Professor Colin Riordan

Andrew Stevens

<b>Key management personnel</b>	Alice Barnard Oliver Newton Jane Samuels	Chief Executive Executive Director Company Secretary, Director of Projects and Operations
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**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 2020.

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. During the latter part of 2019 and the first quarter of 2020 the Trustees discussed and agreed a new five strategic plan (2020 – 25). The strapline was updated to 'Making Education Relevant', with the by line 'The world is changing fast – education needs to keep up'. Our mission during this phase is reflected in the following three statements.

- We are the independent foundation working to inspire the education system to give all young people across the UK the knowledge, skills and behaviours they need to flourish in their future life and work.
- 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.
- We work by gathering evidence through research, trials and projects on the ground and using this to lead the debate around future policy and change practice on the ground.

Edge Foundation focuses on 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 diverse nations, regions and localities

**The future** – preparing young people for our changing world and economy

We intend to do this via a twin track approach:

**Track 1** – Practice (short-medium term)

Helping schools, colleges, training providers and universities to use existing flexibilities in the system to adopt new and engaging approaches and enhance relevance.

**Track 2** – Policy (medium-long term)

Helping policy makers at all levels to change the system to enable this practice to become embedded, better preparing young people right across the UK for their futures.

Despite 2020 being an incredibly challenging year, The Edge Foundation has shown great resilience and resolve in delivering a full programme of work. Although Covid has created a very difficult time, with individual tragedy and tough economic circumstances, it has also provided a catalyst and platform for our work. Edge quickly moved to full remote working, taking care to protect staff and consider their working environments, health and well-being. A full risk assessment of the offices was undertaken during the year, but attendance in the London office was confined to a few weeks in October. The Management and the Board are incredibly grateful for the hard work and commitment shown by the team and the high quality of work produced under the most exceptionally demanding times.

## **2 Strategic report**

The trustees have referred to the guidance contained in the Charity Commissions general guidance on public benefit when planning the charity's its activities and they are satisfied those activities are aligned with its aims and objectives and are undertaken for the public benefit.

### **Research Review Group**

Edge chairs a Research Review Group that brings together more than 50 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, minimising overlap and promoting collaboration. The group has been recognised as an example of good practice by the research community.

This year, Edge has built on the success of the Research Review Group by leading a series of more specific research groups, including 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 <https://www.edge.co.uk/research/research-networks/>

### **Supporting Emerging Researchers**

Edge brings together a network of more than 25 emerging researchers (who are undertaking or have recently finished their PhD) who are 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 a small bursary fund and mentoring provision to help these researchers present their work at conferences.

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

## Edge Foundation

### Trustees' annual report

For the year ended 31 December 2020

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Find out more about the support for early career 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, working with partners that share similar objectives.

This year our primary research projects included:

- An understanding of how FE Colleges are integrating high quality online learning and education technology – <https://www.edge.co.uk/research/projects/research-reports/education-technology-further-education-colleges-how-are-colleges-integrating-digital-technologies-their-practice-2020/>.
- An analysis of HESA destinations data to understand patterns of early career development in graduates – <https://www.edge.co.uk/research/projects/research-reports/Drivers-of-early-career-success-for-UK-undergraduates-An-analysis-of-graduate-destinations-surveys/>.
- A report drawing together initial research and evidence on the impact of the Covid-19 pandemic on education – <https://www.edge.co.uk/research/projects/impact-covid-19-education/the-impact-of-covid-19-on-education-a-summary-of-evidence-on-the-early-impacts-of-lockdown-2020/>.
- Case study reports of St Martin's School, Derby and the National Software Academy in Cardiff – <https://www.edge.co.uk/research/projects/case-study-reports/>.

We have continued to work in partnership with Kings College London, supported and funded by the Economic & Social Research Council (ESRC) on the four-year longitudinal study Young Futures, Young Lives that will look at how young people make post-16 transitions – more information at <https://www.ylyf.co.uk>.

### Commissioned Research

Edge works with associate researchers in a number of different respected University Departments and research organisations to support them to undertake high quality research that takes forward the charity's aims and improves practice in the sector.

Key pieces of external research this year have included an external evaluation of the Edge Hotel School – <https://www.edge.co.uk/research/projects/research-reports/Evaluation-of-the-Edge-Hotel-School/>

In addition, we have continued work on several pieces of research that will come to fruition in 2021, including on:

- The school inspection system across the four nations of the UK
- The evaluation of the Edge grant fund

## Edge Foundation

### Trustees' annual report

For the year ended 31 December 2020

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#### Study Visits

Edge led a series of virtual visits to gather and disseminate the most effective practice in technical and professional education from other countries, adapted for the Covid-19 lockdown.

These included a very successful 'visit' to Canada where we met 8 key organisations to understand their practice. You can find out more about lessons from this visit in our articles at <https://www.edge.co.uk/news-and-events/blogs/quest-university-reimagining-higher-education-from-the-ground-up/> and <https://www.fenews.co.uk/featured-article/59567-fe-research-centres-and-experiential-learning-lessons-in-further-education-from-canada>.

#### Publications

Edge published a series of high profile reports during the year bringing together key findings from our research and delivery work to make a clear case for change.

These included *Our Plan for Further Education: Defined, Career and Skills Focused, Collaborative*. This report set out extensive quantitative and qualitative research about the English Further Education sector, key recent research and recommendations for the future.

You can download this at <https://www.edge.co.uk/policy/reports/Our-Plan-for-Further-Education>.

#### Skills Shortages in the UK Economy

Edge continued to publish a regular bulletin bringing together the latest evidence on the size and shape of skills shortages in the UK economy. Each bulletin features articles on the latest reports or data in this area as well as a focus on a particular sector of the economy. We have also published a summary of key messages from all eight of the first bulletins. All of these can be found at:

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

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

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

We published our third report in April and begun a series of virtual debates in late 2020 that will continue into 2021 and result in a further report in this area.

<https://www.edge.co.uk/research/projects/principles-english-vocational-education/>

## **Edge Foundation**

### **Trustees' annual report**

**For the year ended 31 December 2020**

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#### **Edge Future Learning**

Building on our partnerships with leading school and college models around the world, our Edge Future Learning programme is working with schools and colleges to transform their curriculum and delivery by making it relevant to the real world.

In 2020, we have continued our work in the North East of England, piloting and adapting these approaches with a range of schools and colleges. This led to a partnership with the Wood Foundation in Scotland to build on and extend this work to schools in Aberdeenshire.

During lockdown, we have developed an exciting strategy to distil everything we have learned and develop this into training that will be available to schools and colleges across the UK – we expect this to come to fruition during 2021.

<https://www.edge.co.uk/edge-future-learning>.

We were also successful during 2020 in securing funding from the European Social Fund, in partnership with the North East LEP, to offer teacher externships – a programme giving teachers the chance to experience a local workplace and then use what they find to develop a project to bring the curriculum to life for their students. We have had to redevelop this for online delivery during the pandemic but even so have managed to support more than 100 teacher externships.

Find out more at <https://www.edge.co.uk/edge-future-learning/real-world-learning/>.

#### **Edge Hotel School**

The Edge Hotel School, 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. July saw a further cohort of young professionals graduate to take their places in the global hospitality and events industry. In October, EHS welcomed its latest cohort to start their hospitality and event management studies.

Despite the Covid pandemic, the Edge Hotel School continues to offer industry engaged education, providing a range of digital interactions for current students including webinars with industry experts, projects set by industry organisations and the use of hotel simulation software. Alumni events have continued through digital means.

Find out more about the Edge Hotel School at <https://www.edge.co.uk/grant-projects/edge-hotel-school/>



## **Edge Foundation**

### **Trustees' annual report**

**For the year ended 31 December 2020**

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#### **Edge Grant Fund**

In 2020 Edge continued to engage with and monitor the projects undertaken in previous grant funding rounds. Edge also launched the Post Covid-19 Recovery Grant Fund with the aim of supporting educational institutions to prepare to "build back better" post pandemic. Response to this Grant Fund was huge and the following four projects were selected for funding from over 600 applications:

Baysgarth School was awarded £35,000 to develop further the school's new curriculum model. Curriculum is developed around North Lincolnshire Employability Skills Framework and is designed to develop students into independent learners. In Year 9 each subject has one term of lessons based on employability skills and students are encouraged to develop interests, work experience and college placements within the school day.

Skills Builder Partnership was awarded £50,000 to provide online training to 2,000 teachers to embed essential skills development in their teaching. Edge funding will create a national training platform for teachers to access free, high quality interactive training on how to teach and embed essential skills in the curriculum using the established Skills Builder Hub.

Tower Hamlets Education Business Partnership was awarded £24,250 to create a Virtual Work Experience programme to sit alongside current face to face work experience offered to over 2,000 young people. Funding will create a platform to link schools, students and business volunteers. As part of work experience, students will develop employability skills and complete a week long project set by their business partner which has to be presented to business at completion.

Warwickshire College Group was awarded £46,173 to develop a Hub providing online and blended learning together with lecturer support. Hub will offer fully online courses; remote tutor engagement, remote assessment, employer engagement and industry led modules plus flexible enrolment and course delivery.

Find out more about Edge Grant Funding and the projects it supports at  
<https://www.edge.co.uk/grant-projects/current-projects/>

#### **AoC Beacon Award**

Edge continues to support the AoC Beacon Awards, sponsoring the award for Excellence in the Practical Delivery of Technical and Professional Learning. The award for 2019/20 was given to the Grimsby Institute for Further and Higher Education. The award was renamed for Excellence in Real World Learning for 2020/21. After a rigorous selection process including both written applications and virtual assessment visits, three finalist colleges were selected. The finalist colleges are Strode College, The Manchester College and Lancaster & Morecambe College. At the AOC virtual conference in February 2021, the winner was announced as Strode College, with Lancaster & Morecambe College being given Highly Commended.

## **Edge Foundation**

### **Trustees' annual report**

**For the year ended 31 December 2020**

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Find out more at: <https://www.edge.co.uk/grant-projects/awards/>

### **Working with Partners**

Edge continued to support a number of partner organisations during 2020 to develop and test different approaches to successful technical and professional education. These included:

- Ongoing work with Bulwell Academy in Nottingham, Milton Keynes Academy and Madeley Academy in Telford to integrate excellent technical and professional education and employer engagement into these schools. All three are now part of Multi Academy Trusts. Madeley transferred to the Thomas Telford MAT, Bulwell Academy and Milton Keynes Academy both completed the move to The Creative Education Trust.
- Monitoring the work of the Baker Dearing Trust, Studio Schools Network and Career College Trust in their work to develop a range of institutions providing high quality technical and professional education to 14–19 year olds.

### **Responses to Consultations and Select Committees and All-Party Parliamentary Group**

During the year, the Edge Foundation provided detailed and constructive responses to public consultations by both the government, APPGS and Select Committees of both Houses.

Through our sponsorship of the All-Party Parliamentary Group for Skills and Employment, chaired by Nic Dakin MP, Edge raises the profile of skills policy in Parliament and across the UK. Working with Policy Connect has given Edge the opportunity to contribute to their latest Skills Commission and various other events linked to the organisations agenda.

### **Parliamentary Affairs**

Edge led a varied programme of parliamentary affairs during 2020 to raise the profile of Edge and our work in both Houses. Due to Covid this work was done virtually. This included:

- Influencing Parliamentary debate, asking MPs and Peers to table questions, providing ideas for backbench debates, providing briefs for members across the house;
- Individual video face-to-face meetings with Members of Parliament;
- MP meetings focusing on specific policy issues and briefings.
- Focused on developing key relationships with Parliamentarians, with the appointment of a policy manager we have developed a stronger intelligence of key allies and potential allies. There has also been an opportunity to develop a network of policy advisors to support them in access to key information.

### **Edge Website**

Edge overhauled the design and content of the website during 2020 prior to re-launching it in 2021. The aim is to ensure that it is engaging and interactive and to update it with all of the latest information about the Foundation's work. In line with this update in design, Edge undertook a

## Edge Foundation

### Trustees' annual report

#### For the year ended 31 December 2020

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brand re-fresh to better capture our image and activities. This went public in conjunction with the new website. To complete the technology update, we undertook a full review and subsequent re-design of the CRM system. This will allow greater use of our data to increase our reach, communications and events program.

<http://www.edge.co.uk/>.

### Conferences and Events

#### Annual Lecture

The Annual Lecture 2020 focused on an urgent, yet often neglected, topic: the need to integrate the environment into our education system. Having worked in this space for nearly twenty years, Edge was well-positioned to bring its partners together to discuss their respective projects, methodologies and visions. *The tone of the event was optimistic and unconventional, which created the delightful (if rare) after-effect of feeling more energised after the zoom event than upon entering it!*

The event Chair, Labour MP for Hull West and Hessle and Shadow FE & Universities Minister, Emma Hardy, kicked off the lecture by recognising the pandemic as a catalyst for change and an opportunity for us to create new norms in the education sector. Keynote speaker Sir Tim Smit, the co-founder of the Eden Project, was quick to take up this challenge. Given his experience spearheading a project that turned a sterile pit of clay into a teeming hub of environmental learning, attendants need not have been surprised by the scale of change he was advocating and preparing for.

Number of attendees at the Seeding change Annual Lecture – 200 registrations, 127 attendees

<https://www.youtube.com/watch?v=vIcF9aInc9w&t=11s>

#### Events

Covid forced a re-think of how events would be held, as ever Edge rose to the challenge and hosted multiple events across the year, from roundtables, break out sessions, seminars to conferences. A couple of the highlights follow.

Rob Halfon/Steph McGovern – ‘Guaranteeing an apprenticeship guarantee’

We welcomed more than 300 colleagues as we hosted Robert Halfon MP to talk about his vision for delivery of the government’s apprenticeship guarantee. His passion was palpable as ever on this topic as he spoke about his Edge #EducationWish being granted. Journalist and television presenter Steph McGovern, a passionate advocate of vocational education and apprenticeships, then led discussion with Robert and a panel of experts to get into the detail of the proposals.

## **Edge Foundation**

### **Trustees' annual report**

#### **For the year ended 31 December 2020**

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Number of attendees – 466 registrations, 325 attendees

<https://www.youtube.com/watch?v=CyE7BcZ2eGY>

### **Media Relations**

The Chief Executive and Executive Director had a full schedule of interviews throughout 2020 with particular emphasis on the exam fiasco and return to school in September. 18 interviews were secured for our two spokespeople on this topic alone. Media work through 2020 has primarily focused on communications supporting the Research and Policy Team, our events, convening work as well as our flagship annual lecture event and providing general comment on education issues.

We broadened our scope beyond education media outlets and journalists to reach a wider and more targeted audience. We produced and secured coverage for 90 articles across the year.

Throughout 2020 we continued to strengthen and develop the communications team to allow us to increase our reach in both the sector press and beyond. Increased reporting of our activities and a greater emphasis on launching our reports with set piece events are amongst the plans for the coming year.

### **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 Board agreed the strategic plan for the next five years (2020–25) and this forms the pathway for our future activities.

With this in mind, Edge wants to focus on providing constructive solutions that redefine the debate.

- Developing and expanding Edge Future Learning to offer schools and colleges across the country the CPD and models they need to transform and enrich the learning experience in their school or college by engaging with employers, offering externships for teachers with local businesses, developing and delivering real, rich and relevant curriculum projects.
- Securing commissioned research work from likeminded stakeholders, engaging in collaborative research projects with partners and expanding the research and policy team to develop further capacity.
- Working closely with partners to look in detail at school and college accountability, including starting work to develop new destinations measures and continuing to be a lead supporter and driver of the Rethinking Assessment movement.
- Intensifying our work with politicians of all parties, peers, civil servants and policy-makers outside government to drive the change we want to see to embed this practice as the 'norm' within the education system.
- Designing and launching the 2020/21 Edge Grant Fund.

## Edge Foundation

### Trustees' annual report

#### For the year ended 31 December 2020

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Edge also wants 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 programme of support for early career researchers to train the next generation of academics in this field.
- Establishing a group to bring together all previous recipients of Edge grant funding to share lessons and approaches.
- Launching a Policy Network and Parliamentary Researcher Network to gather perspectives, build consensus and share key findings from our work.

## 4 Financial review

Total income for the year was £1.1m (2019: £0.8m), the majority of which is investment income. Resources expended during the year were £2.3m (2019: 3.3m), which resulted in net outgoing resources before investment disposals or revaluations of £1.2 m (2019: £2.5m). After an increase in the value of investments of £0.9m (2019: £0.7m) the result was a deficit of £0.3 m (2019 deficit: £1.8m). Net assets at 31 December 2020 were £26.4m (2019: £26.7m) which include £21.3m (2019: £23.8m) held as long term investments. During the year £3m was withdrawn from the long-term investment fund to finance current and future projects.

### 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, particularly in terms of related parties and previously connected charities. 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.

## Edge Foundation

### Trustees' annual report

#### For the year ended 31 December 2020

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- 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 Coronavirus pandemic led the trustees to 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 budget projections for 2022. The financial impact of the pandemic has only had a limited impact on the financial position of the company. 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 new projects being undertaken, an assessment process is carried out by the 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 2020 the reserves of Edge are £26.3m (2019 : £26.7m). 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 on-going operations. The Board approves expenditure of the reserves to increase the effectiveness of the charity over the medium term. For 2020 it has approved £2m of expenditure.

#### ***Investment policy and performance***

The charity's investment policy includes 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). The net return achieved in 2020 exceeded the target, there was a drawdown of £3m but an increase in value of £0.9m, combined with income from investments of £0.6m generated a return of £1.5m or 6% in the value of the investments. The Finance Committee continues to monitor the performance and strategy of the investment funds, ensuring the policy remains appropriate to changing circumstances

#### **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 but do not engage in public fundraising or use commercial fundraisers. There have been no instances of non-compliance with any codes and no complaints were received.

## 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 ensuring that their skills complement those of the existing members thereby ensuring 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 by the Chairman and generally increased in accordance with current annual inflation rates. Board approval is also required for any increase in remuneration for the Chief Executive, the Board also approves the annual pay rises for all staff. Remuneration is also bench-marked initially with similar organisations to ensure fair and in line with general remuneration levels for similar roles.

### Grant making policy

The charity funds projects in various ways including grants and loans according to the different circumstances of the projects. Individual project proposals are assessed by the trustees to identify those which best support the strategic objectives of the charity. The charity's grant-making policy continues to state that grants will not be made to unsolicited applications.

### 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 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 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 2020 was 10 (2019: 10). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.



**Independent auditor's report**

**To the members of**

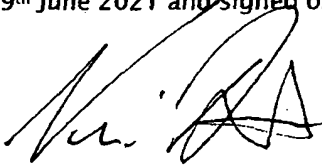
**Edge Foundation**

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**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 9<sup>th</sup> June 2021 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'Neil Bates', with a stylized flourish at the end.

Neil Bates  
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 2020 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 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

### Basis for opinion

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

### Conclusions relating to going concern

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.

## Independent auditor's report

To the members of

Edge Foundation

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### 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)

23 June 2021

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 2020**

	Note	Unrestricted £'000	Restricted £'000	2020 Total £'000	Unrestricted £'000	Restricted £'000	2019 Total £'000
<b>Income from:</b>							
Charitable activities	2	44	382	426	-	237	237
Investments	3	649	-	649	587	-	587
<b>Total income</b>		<b>693</b>	<b>382</b>	<b>1,075</b>	<b>587</b>	<b>237</b>	<b>824</b>
<b>Expenditure on:</b>							
Raising funds	4	100	-	100	80	-	80
Charitable activities:							
Research	4	661	216	877	906	24	930
Promotion and PR	4	166	-	166	297	-	297
Public Affairs	4	96	-	96	190	-	190
Education	4	870	166	1,036	1,628	219	1,847
<b>Total expenditure</b>		<b>1,893</b>	<b>382</b>	<b>2,275</b>	<b>3,101</b>	<b>243</b>	<b>3,344</b>
<b>Net expenditure before net gains on investments</b>		<b>(1,200)</b>	<b>-</b>	<b>(1,200)</b>	<b>(2,514)</b>	<b>(6)</b>	<b>(2,520)</b>
Gains on investments		880	-	880	718	-	718
<b>Net expenditure for the year and movement in funds</b>		<b>(320)</b>	<b>-</b>	<b>(320)</b>	<b>(1,796)</b>	<b>(6)</b>	<b>(1,802)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		26,710	-	26,710	28,506	6	28,512
<b>Total funds carried forward</b>		<b>26,390</b>	<b>-</b>	<b>26,390</b>	<b>26,710</b>	<b>-</b>	<b>26,710</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 2020

	Note	£'000	2020 £'000	£'000	2019 £'000
<b>Fixed assets:</b>					
Tangible assets	10		128		144
Intangible assets	11		85		-
Investments	12		21,316		23,844
			<u>21,529</u>		<u>23,988</u>
<b>Current assets:</b>					
Debtors	13	261		90	
Cash at bank and in hand		5,349		3,430	
		<u>5,610</u>		<u>3,520</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	14	724		746	
<b>Net current assets</b>			<u>4,886</u>		<u>2,774</u>
<b>Total assets less current liabilities</b>			<u>26,415</u>		<u>26,762</u>
Creditors: amounts falling due after one year	16		<u>25</u>		<u>52</u>
<b>Total net assets</b>			<u><u>26,390</u></u>		<u><u>26,710</u></u>
<b>The funds of the charity:</b>	17				
Restricted income funds			-		-
Unrestricted income funds:					
Revaluation reserve			1,494		3,479
General funds			<u>24,896</u>		<u>23,231</u>
<b>Total charity funds</b>			<u><u>26,390</u></u>		<u><u>26,710</u></u>

Approved by the trustees on 9th June 2021 and signed on their behalf by

Neil Bates FCGI  
Chairman

Edge Foundation

Statement of cash flows

For the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
Cash flows from operating activities			
Net cash (used in) operating activities	19	(1,949)	(2,964)
Cash flows from investing activities:			
Dividends, interest and rents from investments		649	587
Purchase of fixed assets		(4)	(152)
Purchase of intangible fixed assets		(85)	-
Capital drawdown from investments		3,308	2,941
Net cash provided by investing activities		3,868	3,376
Change in cash and cash equivalents in the year		1,919	412
Cash and cash equivalents at the beginning of the year		3,430	3,018
Cash and cash equivalents at the end of the year		5,349	3,430



## Edge Foundation

### Notes to the financial statements

#### For the year ended 31 December 2020

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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	7%
● Public Affairs	6%
● Education	25%
● Research	50%
● Support costs	10%
● 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:

● IT equipment	2 years
● Fixtures 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	5 years
● CRM costs	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.

# Edge Foundation

## Notes to the financial statements

### For the year ended 31 December 2020

#### 2 Income from charitable activities

	Unrestricted £000's	Restricted £000's	2020 Total £000's	2019 Total £000's
Global Giving Foundation	-	57	57	-
Four Acre Trust	-	98	98	182
AoC Charitable Trust	-	10	10	-
North East LEP	-	189	189	-
The Wood Foundation	-	19	19	-
King's College London	-	9	9	-
Skills Development Scotland	37	-	37	-
Other Income	7	-	7	-
Research Income	-	-	-	55
	<b>44</b>	<b>382</b>	<b>426</b>	<b>237</b>

#### 3 Income from investments

	2020 Total Unrestricted £000's	2019 Total Unrestricted £000's
Income from long term investments	641	539
Interest on cash at bank	8	48
	<b>649</b>	<b>587</b>

Edge Foundation

Notes to the financial statements

For the year ended 31 December 2020

4a Analysis of expenditure

	Charitable activities								
	Cost of raising funds £'000	Research £'000	Promotion and PR £'000	Public Affairs £'000	Education £'000	Governance costs £'000	Support costs £'000	2020 Total £'000	2019 Total £'000
Staff costs	-	405	55	44	200	16	82	802	920
Research	-	212	-	-	-	-	-	212	255
Public Affairs	-	-	-	23	-	-	-	23	46
Edge Hotel School – Hotel Future	-	-	-	-	16	-	-	16	28
Give Yourself the Edge	-	-	-	-	-	-	-	-	1
Grant Fund Monitoring	-	-	-	-	15	-	-	15	10
Edge Grant Fund	-	-	-	-	155	-	-	155	897
AOC Beacon Awards	-	-	-	-	15	-	-	15	16
Career Colleges Trust	-	-	-	-	-	-	-	-	40
Next Generation Learning	-	-	-	-	486	-	-	486	497
Other grants and sponsorship	-	-	-	-	20	-	-	20	30
Communications	-	-	74	-	-	-	-	74	49
Edge Events	-	-	1	-	-	-	-	1	31
Other employee costs	-	8	1	1	4	-	2	16	33
Premises and office costs	-	105	15	12	52	4	21	209	217
Administration and IT costs	-	66	9	7	32	3	14	131	194
Investment Management fees	100	-	-	-	-	-	-	100	80
	100	796	155	87	995	23	119	2,275	3,344
Support costs	-	68	9	8	34	-	(119)	-	-
Governance costs	-	13	2	1	7	(23)	-	-	-
<b>Total expenditure 2020</b>	<b>100</b>	<b>877</b>	<b>166</b>	<b>96</b>	<b>1,036</b>	<b>-</b>	<b>-</b>	<b>2,275</b>	
Total expenditure 2019	80	930	297	190	1,847	-	-		3,344

Edge Foundation

Notes to the financial statements

For the year ended 31 December 2020

4b Analysis of expenditure (prior year)

	Charitable activities						2019 £'000
	Cost of raising funds £'000	Research £'000	Promotion and PR £'000	Public Affairs £'000	Education £'000	Governance costs £'000	Support costs £'000
Staff costs	-	393	126	84	191	29	97
Research	-	255	-	-	-	-	-
Public Affairs	-	-	-	46	-	-	-
Academies	-	-	-	-	-	-	-
Career Footsteps	-	-	-	-	-	-	-
Edge Hotel School – Hotel Future	-	-	-	-	28	-	-
Give Yourself the Edge	-	-	-	-	1	-	-
Grant Fund Monitoring	-	-	-	-	10	-	-
Edge Grant Fund	-	-	-	-	897	-	-
AOC Beacon Awards	-	-	-	-	16	-	-
Career Colleges Trust	-	-	-	-	40	-	-
The Mental Health Project	-	-	-	-	-	-	-
Next Generation Learning	-	-	-	-	497	-	-
Grants to Partners	-	-	-	-	-	-	-
Other grants and sponsorship	-	-	-	-	30	-	-
Communications	-	-	49	-	-	-	-
Edge Events	-	-	31	-	-	-	-
Other employee costs	-	14	5	3	7	1	3
Premises and office costs	-	93	29	20	45	7	23
Administration and IT costs	-	83	27	17	40	6	21
Investment Management fees	80	-	-	-	-	-	-
	80	838	267	170	1,802	43	144
Support costs	-	71	23	15	35	-	(144)
Governance costs	-	21	7	5	10	(43)	-
Total expenditure 2019	80	930	297	190	1,847	-	-

Edge Foundation

Notes to the financial statements

For the year ended 31 December 2020

5 Grant making

	2020 £'000	2019 £'000
Baysgarth School	35	-
Skills Builder Partnership	50	-
Tower Hamlets EBP	24	-
Warwickshire College Group	46	-
Middlesex University	-	99
Ormiston Academies Trust	-	97
Eden Project	-	95
Yeovil College	-	94
XP School Doncaster	-	91
Enabling Enterprise	-	90
Derby College	-	80
Newcastle University	-	77
Activate	-	75
University of Essex (EHS)	-	65
Barbican	-	39
At the end of the year	155	902

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:

	2020 £'000	2019 £'000
Depreciation	20	15
Operating lease rentals:		
Property	136	129
Other	1	1
Auditors' remuneration (excluding VAT):		
Audit	9	9

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

Staff costs were as follows:

	2020 £'000	2019 £'000
Salaries and wages	661	748
Social security costs	70	77
Employer's contribution to defined contribution pension schemes	37	37
Other forms of employee benefits	3	5
Other third parties and secondments	31	53
	<b>802</b>	<b>920</b>

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

	2020 No.	2019 No.
£60,000 – £69,999	1	2
£80,000 – £89,999	1	1
£130,000 – £139,999	1	1

The total employee benefits including pension contributions and employer's NI contributions of the key management personnel were £258,218 (2019: £250,067).

The charity Trustees were not paid or received any other benefits from employment with the charity in the year (2019: £nil). No charity Trustee received payment for professional or other services supplied to the charity (2019: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,101 (2019: £2,083) incurred by 3 (2019: 5) 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:

	2020 No.	2019 No.
Research	7	6
Promotion and PR	1	2
Public Affairs	1	1
Education	4	4
Support	1	2
	<b>14</b>	<b>15</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 improvement £'000	Fixtures and fittings £'000	IT equipment £'000	Total £'000
<b>Cost</b>				
At the start of the year	143	21	61	225
Additions in year	-	-	4	4
Disposals	-	-	(21)	(21)
At the end of the year	143	21	44	208
<b>Depreciation</b>				
At the start of the year	7	19	55	81
Charge for the year	14	1	5	20
Disposals	-	-	(21)	(21)
At the end of the year	21	20	39	80
<b>Net book value</b>				
At the end of the year	122	1	5	128
At the start of the year	136	2	6	144

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	-	-	-
Additions in year	51	34	85
Disposals	-	-	-
At the end of the year	51	34	85
<b>Depreciation</b>			
At the start of the year	-	-	-
Charge for the year	-	-	-
Disposals	-	-	-
At the end of the year	-	-	-
<b>Net book value</b>			
At the end of the year	51	34	85
At the start of the year	-	-	-

Website and CRM development costs were completed in March 2021 at which point the costs have been amortised over a period of 5 years.

All of the above assets are used for charitable purposes.

**12 Listed investments**

	2020 £'000	2019 £'000
Fair value at the start of the year	21,308	25,720
Additions at cost	2,430	19,136
Disposal proceeds	(3,302)	(24,266)
Net gains on change in fair value	880	718
	<u>21,316</u>	<u>21,308</u>
Cash held by investment broker pending reinvestment	-	2,536
	<u>21,316</u>	<u>23,844</u>
Fair value at the end of the year	<u>21,316</u>	<u>23,844</u>
Historic cost at the end of the year	<u>19,822</u>	<u>20,365</u>
Investments comprise:		
	2020 £'000	2019 £'000
Listed investments	21,316	21,308
Cash	-	2,536
	<u>21,316</u>	<u>23,844</u>

**13 Debtors**

	2020 £'000	2019 £'000
Trade debtors	83	-
Other debtors	-	41
Accrued income	118	29
Prepayments	60	20
	<u>261</u>	<u>90</u>

**14 Creditors: amounts falling due within one year**

	2020 £'000	2019 £'000
Grant commitments	341	408
Trade creditors	136	178
Taxation and social security	31	42
Other creditors	111	32
Deferred income	30	-
Accruals	75	86
	<u>724</u>	<u>746</u>

**15 Grant note**

	2020 £'000	2019 £'000
Balance at the beginning of the year	460	478
Awarded in the year	155	902
Grants written back during the year	-	(25)
Charged to expenditure	155	877
Paid in the year	(264)	(895)
Balance at the end of the year	351	460
Creditors : amounts due within one year	341	408
Creditors : amounts due after one year	10	52

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

	2020 £'000	2019 £'000
Grant commitments > 1 year	10	52
Dilapidations provision	15	-
	25	52

## 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>					
Global Giving Foundation	-	57	(57)	-	-
Four Acre Trust	-	98	(98)	-	-
AoC Charitable Trust	-	10	(10)	-	-
North East LEP	-	189	(189)	-	-
The Wood Foundation	-	19	(19)	-	-
King's College London	-	9	(9)	-	-
<b>Total restricted funds</b>	-	382	(382)	-	-
<b>Unrestricted funds:</b>					
Revaluation reserve	3,479	880	-	(2,865)	1,494
General funds	23,231	693	(1,893)	2,865	24,896
	26,710	1,573	(1,893)	-	26,390
<b>Total funds</b>	26,710	1,955	(2,275)	-	26,390

**Purposes of restricted funds**

Global Giving Foundation, Four Acre Trust and the North East LEP part fund the Edge Future Learning project promoting project based learning in schools mainly in the North East of England.

The Wood Foundation represents funding to initiate a project based learning programme in schools in Aberdeenshire.

Kings College London provide funding for a longitudinal research project examining how the lives of young people develop educationally and their perceptions in choosing different educational pathways.

## 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>					
Global Giving Foundation	6	-	(6)	-	-
Four Acre Trust	-	182	(182)	-	-
Other Restricted Income	-	55	(55)	-	-
<b>Total Restricted funds</b>	6	237	(243)	-	-
<b>Unrestricted funds:</b>					
Revaluation reserve	2,767	712	-	-	3,479
General funds	25,739	593	(3,101)	-	23,231
	28,506	1,305	(3,101)	-	26,710
	28,512	1,542	(3,344)	-	26,710

## 18a Analysis of net assets between funds

	Restricted funds £'000	Unrestricted funds £'000	Total funds £'000
Investments	-	21,316	21,316
Tangible fixed assets	-	128	128
Intangible fixed assets	-	85	85
Net current assets	-	4,886	4,886
Long term liabilities	-	(25)	(25)
	-	26,390	26,390

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

	Restricted funds £'000	Unrestricted funds £'000	Total funds £'000
Investments	-	23,844	23,844
Tangible fixed assets	-	144	144
Net current assets	-	2,774	2,774
Long term liabilities	-	(52)	(52)
	-	26,710	26,710

## 19 Reconciliation of net income to net cash flow from operating activities

	2020 £'000	2019 £'000
Net expenditure for the reporting period (as per the statement of financial activities)	(320)	(1,802)
Depreciation charges	20	15
Loss on disposal of fixed assets	-	9
Investment fees	100	80
Gains on investments	(880)	(718)
Dividends, interest and rent from investments	(649)	(587)
Increase in debtors	(171)	39
Decrease in debtors	(49)	-
Net cash (used in) operating activities	(1,949)	(2,964)

## 20 Analysis of cash and cash equivalents

	At 1 January 2020 £'000	Cash flows £'000	Other changes £'000	At 31 December 2020 £'000
Cash at bank and in hand	3,430	1,919	-	5,349
Total cash and cash equivalents	3,430	1,919	-	5,349

**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 2020 £'000	2019 £'000	Equipment 2020 £'000	2019 £'000
Less than one year	163	163	1	6
One to five years	448	611	-	-
	<u>611</u>	<u>774</u>	<u>1</u>	<u>6</u>

**22 Related party transactions**

**The Association of Colleges Charitable Trust:**

In 2020 Edge Foundation made Grant Payments of £15,000 were made to The Association of Colleges Charitable Trust (2019: £25,000) supporting the annual Beacon awards recognising outstanding college provision and institutional excellence. Jane Samuels 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 2020 Edge Foundation made grant payments of £28,500 to the Edge Hotel School which is part of the University of Essex (2019: £65,000). These payments were for continuing support of student scholarships and operations. Alice Barnard the Chief Executive of Edge Foundation and Jane Samuels the Director of Projects and Partnerships of Edge Foundation are directors of the Wivenhoe House Hotel the home of the Edge Hotel School.

**Career Colleges Trust:**

There were no transactions to Careers Colleges Trust (CCT) in 2020 (2019: £45,000). In May 2015 Pauline Daniyan, an Edge Trustee, was appointed a Trustee of CCT. In the year ended 31st December 2014 Edge Foundation provided CCT with an interest free loan of £25,000 to continue to development of Career Colleges.

**Baker Dearing Trust:**

Sir Kevin Satchwell, was a Trustee of Edge Foundation until April 2019 and had been a trustee of Baker Dearing Educational Trust since February 2014 respectively. There were no transactions to Baker Dearing Educational Trust in 2020 (2019: £104,000) relating to support in kind.

**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.