



**Education
Support**

Partnership

The charity for
everyone working
in education



**REPORT OF TRUSTEES
& ANNUAL ACCOUNTS
2018/19**



WHO WE ARE

We are the UK's only wellbeing and mental health charity for the entire education workforce. We have been here for teachers and education staff at their most difficult moments for 142 years. We are non-judgmental, compassionate and committed to providing the highest quality support to those who need it most.

OUR VISION

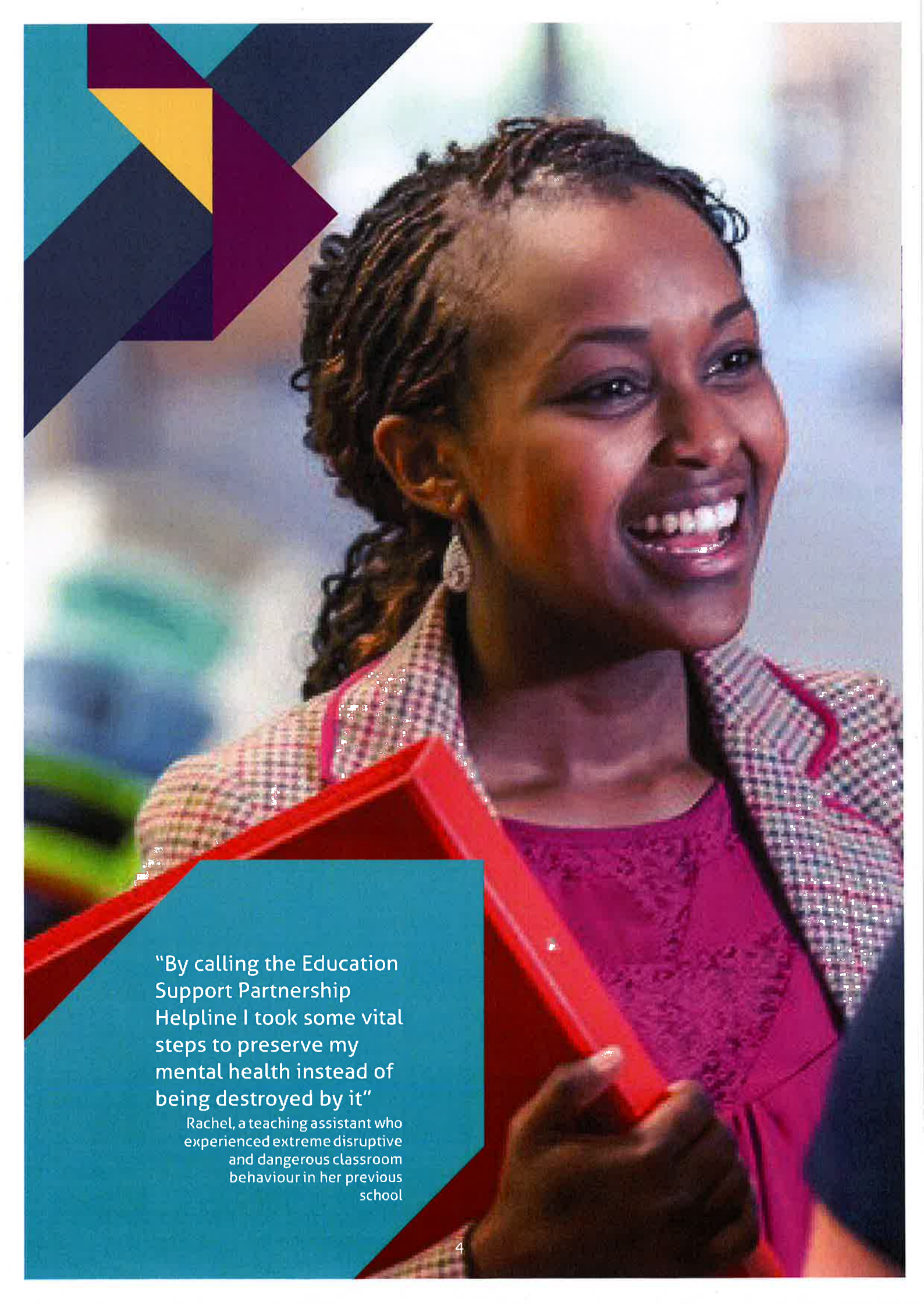
That everyone working in education is respected, supported and resilient.

OUR MISSION

We give all educators, present and past, access to support services in their workplace and outside. We champion their health and wellbeing, because that is how our education sector will thrive. We recognise each individual as a person as well as a professional.

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“By calling the Education Support Partnership Helpline I took some vital steps to preserve my mental health instead of being destroyed by it”

Rachel, a teaching assistant who experienced extreme disruptive and dangerous classroom behaviour in her previous school

CHAIR AND CEO REPORT



At a time of mounting pressure on the education workforce, we have witnessed unprecedented levels of demand for our services. In the past 12 months, we have directly supported a record 14,081 people – the majority of whom found themselves in a position of crisis. The impact of these interventions has been significant – more so than ever before in our 142-year history.

As you will see in the following pages, we doubled the amount of structured counselling delivered; issued more financial grants to keep educators in their homes; and saw daily examples of how our work has transformed lives and kept people in the profession. Our online information, advice and support was accessed over 393,000 times and our workplace services reached over 51,000 educators across England and Wales. We are delivering support to more people than ever before.

The severity of the cases we managed was noticeably higher than previous years, with 792 callers to our helplines clinically assessed to be at risk of suicide: that is more than two calls per day, three quarters of which came from teachers. It is only through the generosity of the thousands of people who give their money and voices to support Education Support Partnership every year that we are able to respond immediately to these cases and offer high quality support to educators in their darkest moments.

Teachers like Anna, who started self-harming and took two overdoses as a result of workplace bullying. Teaching assistants like Rachel, who would sit crying in despair over lunch due to extreme disruptive and dangerous classroom behaviour. And university lecturers like Paul, who experienced depression as the result of a chaotic workplace culture.

Our commitment to growing the level of support we provide to those with the highest need will remain central to our purpose. However, in order to fully achieve the ambitious vision and mission we set ourselves last year, we recognised that

“
The severity of the cases we managed was noticeably higher than previous years
”

we need to better understand, and share insight about, the systemic factors contributing to individual crisis.

The sector is facing a number of immediate and long-term challenges, which have been well documented since our last report. The impact of these on the wellbeing and mental health of the education workforce, and the children and young people who rely on them, is cause for grave concern. We remain committed to helping reduce the risk of educators entering a state of crisis, and confident in our ability to shine a light on the need for change within the education system. Last year we worked directly with 752 schools, helping senior leaders to identify and address issues impacting on staff wellbeing and culture within their workplace. Our impact in this area received public accolade from the Secretary of State for Education in England and contributed to us being invited to join the Department for Education's new Expert Advisory Group for Teacher and Leader Wellbeing.

We are currently reviewing our services, to ensure we adopt emerging best practice and respond to evidence, to ensure we deliver the highest level of impact possible in everything we do. This includes the development of a new monitoring and evaluation approach, which will aid our continual learning, plus the pilot of a new digital offering that will make our services accessible to an increasing number of organisations across the sector.

“

The charity is now recognised as the expert organisation on the wellbeing and mental health of teachers and education staff”

We draw particular attention to the progress made within our policy, research and communications activity, identified as a strategic priority last year. Our publications, including the Teacher Wellbeing Index 2018, have played a significant role in bringing public attention to the wellbeing and financial security of those working in the education sector. This is evidenced by the tenfold increase in year-on-year media reach achieved. This in turn has driven the growth in awareness of our charity and we believe was partly responsible for the increase in service usage during the second half of the year. The charity is now recognised as the expert organisation on the wellbeing and mental health of teachers and education staff.

Alongside these considerable achievements, we have not lost sight of the fact that the charity is at a crucial stage in its development. Over the past 12 months, we have taken major steps forward to develop our strategy, strengthen our long-term planning and review our organisational and governance structures. This was part of the pledge we made last year to utilise a proportion of the charity's reserves to embark on a major change programme to ensure that our services and working practices meet the current and future needs of our service users, building on the knowledge and core values from our heritage.

Trustees made a significant investment to accelerate the transformation process. The departure of Julian Stanley, CEO for the previous decade, brought an opportunity to restructure in line with our aspirations, bringing in new leadership talent with strong innovation and income generation experience. These changes will prove cost neutral within twelve months, and will achieve significant medium to long-term savings whilst enabling us to better meet our strategic goals.

We are extremely grateful to the thousands of people who support Education Support Partnership every year, who generously give their money and voices to allow us to deliver our shared mission. We will continue to find innovative ways to communicate with our supporters, and to share the impact of our work.


As a final reflection, there is excitement and expectation within our team that, along with our supporters and partners, we can achieve something special over the coming months and years. We look forward to building on the successes and foundations of this year and reporting back on our progress against operational performance in 2020.



Dr Jeremy Reynolds
Chair of the Board of Trustees



Sinéad Mc Brearty
CEO



"The helpline was really supportive... I felt emotionally burdened and they just got to the nub of it. I'm gradually building my confidence again"

Helen, an experienced primary school teacher

THE LANDSCAPE

Some facts and figures



Teaching is now considered the fourth most stressful job (Health & Safety Executive)



1.3 million days have been taken off by teachers for stress and mental health reasons in the last four years (Liberal Democrats, Freedom of Information Request)



Suicide risks for primary and nursery school teachers in England were 42% higher than in the general population between 2011 to 2015 (Office for National Statistics)



Almost half of all UK university staff have suffered depression, anxiety or other types of mental health problems related to stress – one of the highest rates of any sector (Kinman, 2018)



Over half of school support staff report experiencing stress, anxiety or depression due to their workload (UNISON)



There is a shortfall of 30,000 classroom teachers in England and at secondary level, 20 per cent of teacher training vacancies are unfilled (The Times, September 2018)

Teacher Wellbeing Index 2018

We were proud to publish our second annual index report in October, which presented a robust, comprehensive picture of the deteriorating wellbeing and mental health of education staff throughout the UK. The key findings included:



31% have experienced a mental health issue in the past academic year



76% have experienced behavioural, psychological or physical symptoms due to their work, compared with 60% of UK employees



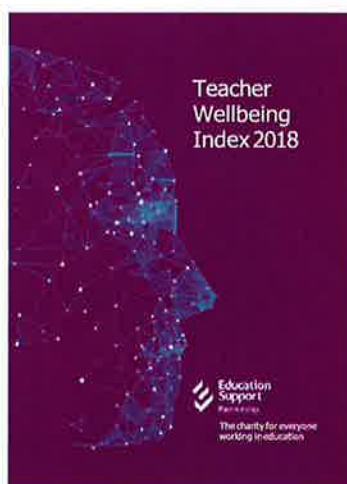
65% would not feel confident in disclosing mental health problems or unmanageable stress to their employer



36% report that they had no form of mental health support where they work



57% have considered leaving the sector over the past two years as a result of health pressures



“Obsession with exams at the expense of real learning”

“Pressures from management to get results at any cost”

“The unnecessary paperwork and bureaucracy”

“Poor behaviour”*

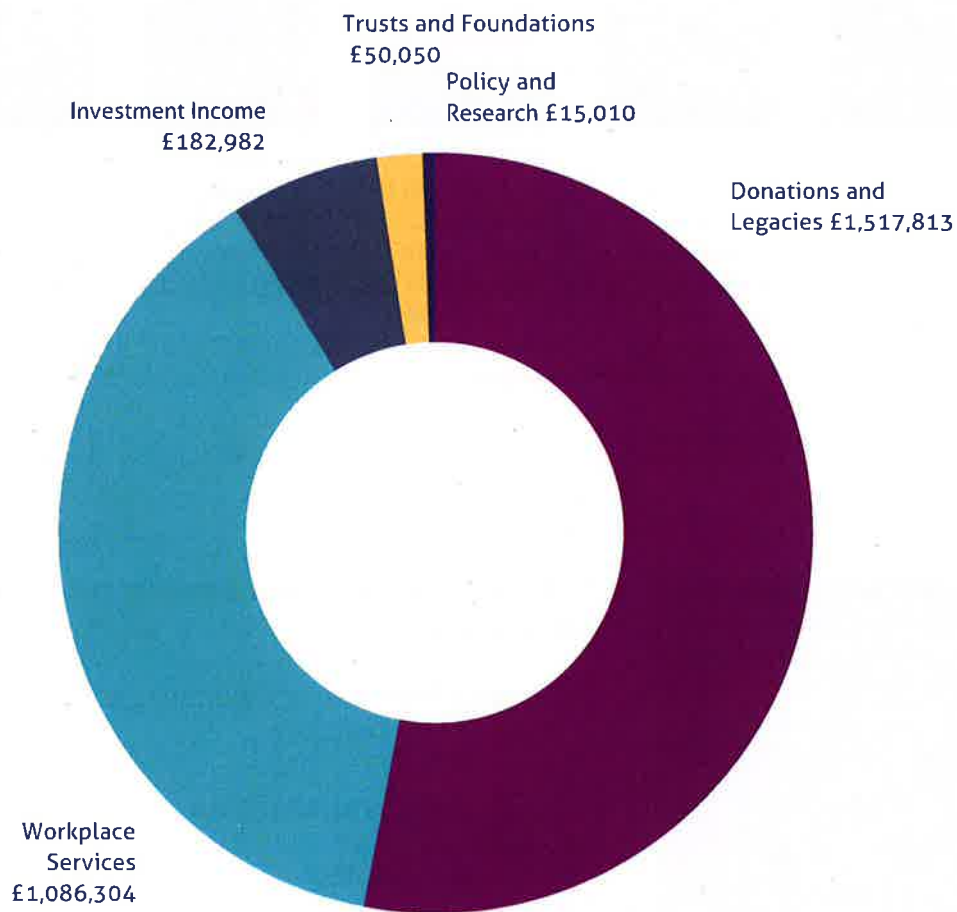
The report is widely used as a sector benchmark and attracted high profile attention in the media (51.6 million reach) and throughout Parliament (featuring in debates within the House of Commons, House of Lords, Education Select Committee and All Party Parliamentary Groups).

*Quotes from Teacher Wellbeing Index 2018 open responses

HOW WE RAISED OUR MONEY

“It is only through the generosity of the thousands of people who support us every year that we are able to respond immediately and offer high quality support to education staff in their darkest moments”

Sinéad Mc Brearty, CEO, Education Support Partnership



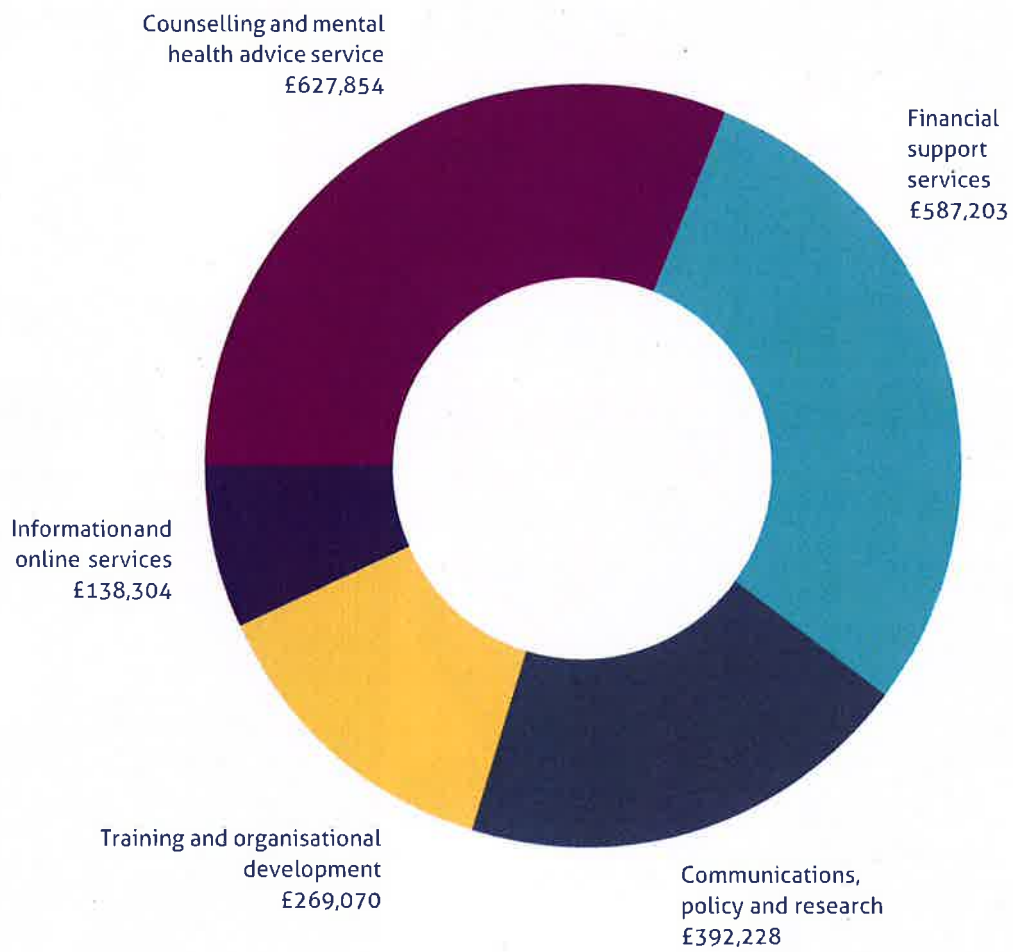
We are grateful for the generosity of thousands of individual supporters who give us money regularly, in response to our appeals, or by leaving us a gift in their Will. Along with support from charitable foundations, investment in our workplace services from schools and institutions, and returns from our investments, we raised £2,852,159.



"Thanks to the grant service from Education Support Partnership my financial health is a lot better now so the rest of my health is too"

Kurt, Retired Teacher

HOW WE SPENT OUR MONEY



Counselling and mental health advice service

We will always be there to support educators in crisis. Since 1877, we have been a lifeline for teachers and education staff. No matter what they are going through, we are always here to listen and help.

We run a free and confidential 24/7 helpline

Our helpline is staffed by counsellors accredited by the British Association of Counselling and Psychotherapy. We can offer in the moment support, signposting, and remote access counselling or coaching. The helpline is available to anyone who has worked in the sector, currently, or in the past.

9,615

Total cases managed – the highest annual figure in the charity's history (+28.1% compared to two years ago)

1,400

Structured counselling cases (+230% compared to two years ago)

3,206

Cases relating to work-related stress (+49% compared to last year)

"I started self-harming.
You guys were my light in a
very dark tunnel"

Anna, a teacher at a school for
children with special needs

We run an Employee Assistance Programme (EAP)

Our confidential EAP helps to manage employee stress. It offers face-to-face counselling and information to support staff with a range of personal and professional issues. It allows schools and organisations to provide their whole team with access to professional, confidential and practical support (counselling) when they need it, so that issues are addressed before they escalate and become problems for the individual, the school and ultimately their pupils.

3,974

Total cases managed
(+41% compared to last year)

1,150

Cases that included face-to-face counselling

57,493

Number of direct lives covered

"The service is highly valued
by our staff. It has sent a
signal to them that shows we
care"

Melanie Adams, HR
Director, The Collegiate
Academy Trust

Financial support services

We offer financial support for those who need it the most

We provide grants to educators who are suffering financial problems caused by unemployment, ill health, sudden life events, bereavement or a personal injury. Our assistance covers short-term financial emergencies; essential, but unaffordable items / costs, that contribute to improving someone's health and wellbeing; and helping someone to stay in or get back to work.

£342,193
value of grants awarded

867
number of applications received
(+24% compared to last year)

492
number of grants awarded
(54% of applicants)

"I'm very grateful to Education Support Partnership for their support. When they told me we were going to be OK as a family, that we could carry on with our lives, it was such a huge, huge relief"

Dawn Martin, Teacher

Training and organisational development

We know that the risk of poor wellbeing amongst educators can be reduced through early intervention. That is why we work face-to-face with senior leadership teams in schools, colleges and universities across the UK. We help leaders to identify issues affecting staff wellbeing and support them to deliver improvements. Data indicated that our interventions lead to improved staff engagement and satisfaction. This translates to happier, healthier adults in the classroom.

We help schools measure the wellbeing of their staff

Our Positive Workplace Survey is designed specifically for schools. It is used as a benchmarking tool to identify factors that, through effective action planning, will improve the morale, engagement and effectiveness of staff.

"This is an incredibly valuable tool for any school's leadership team"

Gary Wilkie, Executive Headteacher,
Learning in Harmony Multi-Academy Trust

We facilitate peer-to-peer support

Our experience tells us school leaders need the time and space to sustain their own resilience and personal and professional effectiveness, so they can meet the constant demands of the job. Headspace and Yourspace are confidential, personal and professional development programmes to help develop the performance of headteachers, deputies and senior leaders.

35
Number of Headspace and Yourspace
groups across England

"Headspace is an opportunity to step off the treadmill and think differently. It gave me the energy and renewed vigour to step back on"

Headteacher, Suffolk

Communications, policy and research

Our sector leading research shines a light on the pressures being faced by educators. As a prominent and independent voice, we work closely with policy makers, regulators and other stakeholders to advocate on behalf of education staff and to increase the priority of staff wellbeing within the sector. We are increasingly able to demonstrate the significant impact of positive staff wellbeing on a thriving education system.

We publish the annual Teacher Wellbeing Index

Our annual Index report presents a robust, comprehensive picture of the changing wellbeing and mental health of education professionals throughout the UK.

209

Total volume of coverage in national and sector media

We shape the policy agenda

We work closely with the Department for Education in England and the Department for Education and Skills in Wales to advise on issues impacting on the wellbeing of educators. Furthermore, we engage with a wide range of stakeholders across the sector to share best practice, collaborate and work together to deliver meaningful change.

“I know there is a lot of excellent work already being done by schools and colleges involving charities such as Education Support Partnership and I want to build on that”

Damian Hinds MP, Secretary of State for Education, ASCL Conference 2019
Speech

Information and online services

We provide information, advice and guidance

When someone working in education experiences poor wellbeing and mental health, it is vital they have access to appropriate information. We help individuals to understand and think through their symptoms and the next steps they need to take.

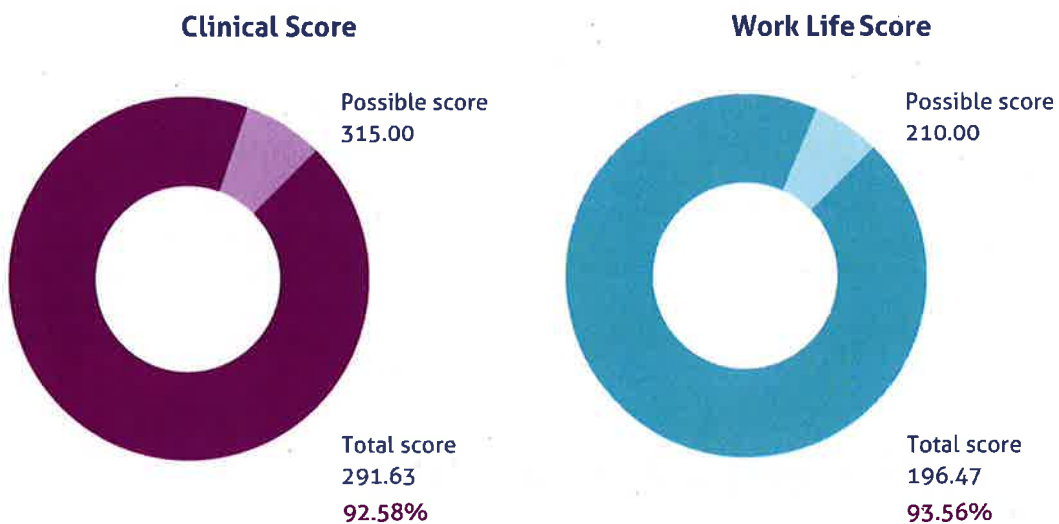
393,196

Visitors to the Education Support Partnership website

QUALITY ASSURANCE AND IMPACT

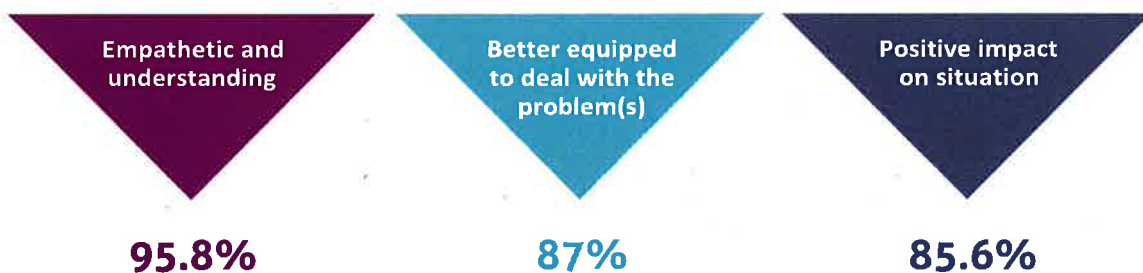
Education Support Partnership operates a quarterly audit programme with an independent clinical assessor. These audits involve listening to calls as well as examining processes in place and exploring how improvements might be made. Each audit meeting operates to ISO 9001:2008 standards and monitors the performance of counsellors (based on clinical and non-clinical standards). Furthermore, we invite every service user to complete an online evaluation form.

Independent Audit Results: March 2019



Service User Feedback

% of helpline users* who answered yes to the following statements:



*Based on those who completed the online evaluation form.

EVALUATING OUR WORK

As part of our desire to ensure that everyone working in education is respected, supported and resilient, we have undergone a review of how we evaluate our impact and the key areas that will determine our success. The following Key Evaluation Questions will guide our work and strategic decision-making going forward. We monitor progress on key areas via our KPI reporting and will report on progress against these next year:

1. How efficiently do we use our resources?

- Do our programmes represent value for money
- How scalable are our programmes?
- How efficiently do we use our resources?

2. What is our reach within the Education Sector?

- What is our reach across different types of educational organisations and education roles?
- How effectively do we reach all geographical locations, including more deprived areas?
- How is Education Support Partnership perceived by our beneficiaries?
- How is Education Support Partnership perceived by the education sector?

3. How effective is Education Support Partnership as an organisation?

- How well do we understand the education sector?
- To what extent are we addressing the needs of our stakeholders?
- How effective are our partnerships?
- How effective are our individual programmes?
- What is the impact of our individual programmes?
- How do we react to internal and external problems or challenges?

4. What is our impact on education staff?

- To what extent are we increasing the resilience of staff?
- To what extent are we averting crisis / breakdown among staff?

- To what extent are we improving workplace wellbeing?
- To what extent are we improving wellbeing and mental health among staff?
- To what extent have we contributed to reducing suicide among staff?

5. What is our impact on children and young people?

- To what extent does our work lead to improvements in children and young people's experience of education, attainment, and wellbeing?

6. What is our impact on educational organisations?

- To what extent are we increasing staff skills and capabilities?
- To what extent have we contributed to a positive workplace culture among education organisations?
- To what extent have we supported education organisations by reducing staff absenteeism, presenteeism and turnover?
- What is the cost saving we have created for education organisations?

7. What is our impact on the education sector?

- How effective are we at promoting the importance of staff wellbeing and demonstrating the factors that contribute towards it?
- To what extent have we had a positive impact on policy making?



"I feel I am coming out of it now. The darkest days are over. At one time I didn't ever see myself being involved in the education sector again"

Alan, Primary Headteacher

The image features a dark blue background with abstract geometric patterns in the top-left and bottom-right corners. These patterns consist of various colored triangles and quadrilaterals in shades of yellow, teal, and maroon. The text 'TRUSTEES' REPORT' is centered in the middle of the page in a white, sans-serif font.

TRUSTEES' REPORT

Legal and Administrative Information

The trustees are pleased to present their report and accounts for Education Support Partnership and its subsidiaries (the group) for the year ended 31 March 2019.

Constitution

Education Support Partnership is a Company Limited by Guarantee (Company Number 09311354) with charitable status and is registered with the Charity Commission under registration number 1161436. It does not have any share capital.

Education Support Partnership is the successor to the Teacher Support Network Group comprising of Teacher Support Network and Recourse following a merger of their assets, activities, undertakings and liabilities on 31 March 2015.

The company was incorporated on 14 November 2014 as Education Sector Support UK and changed its name to Education Support Partnership on 24 July 2015.

Education Support Partnership and Worklife Support (a former subsidiary of Teacher Support Network) merged their trading activities and assets on 1st April 2016.

Governing document

The governing document guiding the work of the organisation is the Articles of Association – these articles were adopted upon incorporation and were amended following a special resolution in December 2018. The Charity is a Charitable Company Limited by Guarantee.

TRUSTEES AND MANAGEMENT	
Board of Trustees who were in place during the financial year 2018 - 2019	<p>11 trustees of which seven are male and four are female, with a male Chair</p> <p>Jeremy Reynolds (Chair) Edward Sallis Darren Franklin (Resigned 31 March 2019) Julie Davis (Chair of Finance Committee) Lynne Tweed (Vice Chair) Harry James Keven Bartle (Resigned 30 April 2019) Jean Kelly Christopher Day (Vice Chair) Rodney Ruffle Gwendolyn Williams</p>
Elected officers of the Board	<p>Trustee Board Chair: Jeremy Reynolds Trustee Board Vice Chair: Lynne Tweed Trustee Board Vice Chair: Christopher Day Finance Committee Chair: Julie Davis Risk & Compliance Committee Chair: Edward Sallis</p>

<p>Leadership team during the financial year 2018-2019</p>	<p>Chief Executive Officer: Julian Stanley (resigned 16th January 2019) Chief Executive Officer: Sinéad Mc Brearty (appointed 19th January 2019) Director of Resources: Paul Lismore Director of Fundraising: Katie Hepworth (appointed 4th March 2019) Director of Services : Sinéad Mc Brearty (appointed 23 April 2018 to 18th January 2019)</p>
<p>Other charities and companies in the group</p> <p>Teacher Support Network 40A Drayton Park, London N5 1 EW</p> <p>TBF Holdings Limited</p> <p>TBF Trading Limited</p> <p>Worklife Support Limited (WLS Ltd)</p>	<p>Teacher Support Network formerly promoted health and wellbeing and offered benevolence to teachers. The company and charity transferred its assets and undertaking to Education Support Partnership on 31 March 2015 and is currently dormant.</p> <p>TBF Holdings Ltd is a wholly owned subsidiary that manages the shareholdings of the charity in Worklife Support Limited. The principal office is at 40a Drayton Park, London, N5 1EW.</p> <p>Currently dormant.</p> <p>WLS Ltd was a trading subsidiary of the charity delivering a range of health and wellbeing services to employers and their employees in education and in the third sector. The charity's shareholding in WLS was held by TBF Holdings Limited, a subsidiary of Education Support Partnership. Its activities merged with Education Support Partnership on 1 April 2016.</p> <p>Director and Group CEO: Julian Stanley (Resigned January 2019) Director: Rodney Ruffle Director: Malcolm Lever(Chair)</p>

<p>PROFESSIONAL ADVISORS</p>	
<p>Bank</p>	<p>National Westminster Bank plc Chancery Lane and Holborn Branch 332 High Holborn London WC1V 7PS</p>
<p>Solicitors</p>	<p>Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH</p>
<p>Solicitors</p>	<p>Gateley Plc Park View House 58 TheRopewalk Nottingham NG1 5DW</p>

Auditor	Moore Kingston Smith Devonshire House 60 Goswell Road London EC1M 7AD
Clinical auditor services	Ben Amponsah Apartment 39 Islington Wharf Great Ancoats Street Manchester, M4 6DH
Investment advisors	Ethical Investments Third Floor, Formal House 60 St George's Place Cheltenham, GL50 3PN
Investment Manager	Quilter Cheviot One Kingsway London WC2B 6AN
Education Support Partnership's registered office	Education Support Partnership 40a Drayton Park London N5 1EW

Objectives and Activities

Objectives

Our charity's purposes as set out in the Objectives section of the Articles of Association (Article 3) are:

- "the relief of financial hardship, sickness, disability, ill-health (mental or physical) and the infirmities associated with old age for serving, former or retired workers from the the education sector, and their dependents;
- the advancement of education; and
- such other charitable purposes as the trustees may determine."

Our vision and mission

Mission

We give all educators, present and past, access to support services in their workplace and outside. We champion their health and wellbeing, because that is how our education sector will thrive. We recognise each individual as a person as well as a professional.

How we deliver public benefit

Everything we do is aimed at supporting and improving the wellbeing and mental health of those working in, and retired from, education. This includes assisting them in managing their finances and going some way to relieving the associated pressures of financial hardship. We support the whole person: by that, we mean not just an individual in their professional capacity but in their personal life as well. In setting the business plan each year the trustees of Education Support Partnership have complied with the duty of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission, including "Running a Charity PB2".

Summary of our principal activities

See Pages 13-15.

Volunteers

Education Support Partnership did not run a volunteer programme in 2018 - 2019.

Structure, Governance and Management

Governance structure

The Board of Trustees

Trustees govern the activities of the charity in accordance with its Articles of Association. The charity is constituted as a Charitable Company Limited by Guarantee and has no share capital.

Trustee selection methods

The financial year in question was the third full year of the three-year term for the current Board of Trustees all of whom were elected co-opted / appointed prior to the start of the financial year via a combination of elections from the Advisory Forum and appointments via the appointments committee. The composition of the Board is 60% elected, 40% appointed.

During the year, the Board amended its Articles of Association to better reflect the needs of the organisation. On the 5th December 2018, the members passed a special resolution removing the link between the Advisory Forum and the role of charity member. Trustee recruitment and selection is now carried out by a recruitment panel made up of Trustees in an open and transparent interview.

Remuneration Policy

At the end of 2018/19 Trustees agreed to review salaries for all staff when preparing the budget for each new year.

How we make decisions

The Board of Trustees meets on a quarterly basis to review and agree strategy. Written reports from each department are submitted prior to the meetings and the Chief Executive and Leadership Team present on particular areas of interest to the organisation. This ensures that all trustees are kept fully updated on the work of the charity.

The Board of Trustees makes all strategic decisions and delegates responsibility for the operational management and leadership of the charity to the Chief Executive who is supported by the Leadership Team. Financial procedures set the financial limits for decision making at varying and appropriate levels from Board level downwards. Trustees are heavily involved in strategic business planning with the annual business plan requiring Board approval. Internal business plans are reviewed on a regular basis. In addition to this the Board of Trustees organises itself into committees in order to explore particular areas in more depth and report back and make recommendations to the Board as a whole.

During 2018-2019, the Board committees were as follows:

- > Finance
- > Risk and Compliance
- > Remuneration

Governance Review

During the year, the Trustee board embarked on a full-scale governance review. An objective of this review is that we are working towards the seven principles of the governance Code and adopting it fully within a year. More costs have been incurred in governance this year to deliver this review and revised framework, which was agreed by the Board in June 2019.

Fundraising Review

All of Education Support's fundraising is conducted by paid staff. No third parties were contracted to fundraise on Education Support's behalf. Education Support's fundraising team comply with fundraising regulations and the code of practice. No areas of non-compliance have been identified. There were no complaints received on fundraising activities in 2018/19.

Investment Policy

Quilter Cheviot acts as Investment Manager to the Education Support Partnership group. The investment objective is to invest holdings on a long-term basis to achieve capital appreciation and minimum income of 3% per annum for distribution to the charity on a quarterly basis.

The charity adopts a Socially Responsible Investment approach excluding investment in arms manufacture and distribution and promotion of pornography from its portfolio, and restricting tobacco investment. We support community investment, environment and green technology, and encourage investment in recycling and waste, safety and protection, training and educational activities and employment.

Investments are selected from a wide range of asset classes to allow for diversification and maximise performance with a reasonable or balanced level of risk.

The Committee meets annually with its Investment Manager to review performance of the fund and to determine future plans. An initial £4 million was invested in the fund in 2014 and a further £300k added during 2015/16. To support the Trustees in decision-making we employed an independent Investment Advisor (Ethical Investments) at the end of 2018/19.

The investment portfolio gained £188k of its overall value during the financial year. The balanced approach adopted by Quilter Cheviot has benefited the charity in outperforming benchmarked indices such as FTSE All Share.

Following the development of our new strategy the Trustees agreed to invest in key areas of the organisation to meet the key short, medium and longer term aims of that strategy. To fund this the organisation has converted some of the investments to cash over the year.

During the year, the organisation made a cash disposal of Investments valuing £1.1million. As a result of this, the market value of the investments at 31 March 2019 is £3.8 million compared to £4.7 million as at 31 March 2018.

The trustees have considered the nature, disposition, marketability, security and valuation of the scheme's investments and consider them to be appropriate relative to the reasons for holding each class of investment. More details about investments are given in the notes to the financial statements.

Financial Review

2018/19 was a changing year for the organisation as Education Support Partnership delivered on the first year of the new strategy. As part of the organisational strategic plan, Education Support Partnership continued to invest into organisational growth and development.

Total incoming resources for the year were £2,852k (2017/18: £2,876k) and total expenditure was £3,827k (2017/18: £3,782k) giving an operating deficit of £975k (2017/18: £906k) before gains/ losses on investments. Education Support Partnership in 2018-19 generated a net deficit of £788k (2017/18: Deficit of £1,044k). This overall deficit represents trustees' decision at the time of budgeting to invest in our services from restricted funds and therefore our restricted deficit is £1.6m and we made an unrestricted surplus of £784k.

Overall, operating income remained broadly the same as last year. Voluntary income from donations and legacies continues to be the highest proportion of income received by Education Support Partnership. In 2018/19 financial year voluntary income was £1,568k, down £80k on 2017/18, mainly due to a reduction in general donations and trust income. Our focus for 2019/20 is on diversifying income streams, developing our trusts pipeline and reducing attrition.

Income generated from paid for services increased to £1,086k (2016/17: £1,055k) and maintained strong performance helping to mitigate the impact marginally of lower fundraising income. Education Support Partnership continues to provide high quality services at a competitive price. We continue to improve our services and review our commercial products portfolio.

In 2018/19 Education Support Partnership generated income of £15k from delivering research projects for education organisations and public bodies.

Education Support Partnership continues its focus on improving cost efficiency. Total resources expended in Education Support Partnership, excluding strategy development and organisational restructure amounted to £3,441k (2017/18: £3,288k).

The main changes were as follows:

- >Increases to our charitable activity of £101k, delivering more financial support services and expanding our policy and research activities.
- >Increase costs of generating voluntary income to bring skilled and experienced fundraising team into the organisation.
- >The support costs allocation methodology was changed to more accurately reflect the way in which direct and support costs contributed to each activity.

Strategic Development and Restructure

The Trustees agreed to invest reserves in developing and delivering a new strategy. That investment continued this year with improvements to our infrastructure and research.

The Trustees also took the decision to make changes to the Leadership structure. With the appointment of a new CEO in January, the senior leadership team was restructured. Allowing for one-off costs incurred in the change process, the realisation of longer-term savings is part of our objective to reduce the cost base for non-direct delivery.

Reserves Policy

The trustees have set a reserves policy which requires that:

- > the reserves should provide the charity with adequate financial stability and the means for it to meet its charitable objectives for the foreseeable future;
- > reserves are maintained at a level which ensures that Education Support Partnership's core activity can continue during a period of unforeseen difficulty;
- > a proportion of reserves is maintained in readily realisable form.

The policy states that free reserves should be maintained at a level which is at least equivalent to six months' operational expenditure, having regard to its future business plan and likely funding streams. Based on the organisation's budget for 2018-19 this equates to £1,700k. At March 2019, the value of unrestricted reserves is in line with this.

Unrestricted reserves of the Group at 31 March 2019 are £3,608k after deduction of fixed assets of £1,166k not readily available for spending the Group has free reserves of £1,647k.

The underlying assets of the organisation have sufficient liquidity to enable the organisation to meet all of its commitments as they fall due.

Restricted reserves represent funds provided by external organisations for a specific purpose. These funds are actively managed and utilised in accordance with the restrictions placed on these funds as advised to Education Support Partnership.

On a quarterly basis, the trustees review the level of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations on a quarterly basis at their Finance Committee meeting. Trustees have the ability to re-designate reserves as they wish to meet the business needs of the organisation.

In 2016/17, the Board of Trustees set up a designated development fund of £390k towards 'investment' activities to grow the charity. For 2017/18, the Board of Trustees designated a further £1m of free reserves into a new development fund for the strategic development and growth of the charity. £744k was spent between 2016/17 and 2017/18 and further £201k was spent in 2018/19. The organisation will be reviewing its investment requirements in 2019/20 and any funds no longer required will be undesignated.

In 2018/19 The Board designated a Grants Fund of £350k, set aside to ensure that any short-term issues in income streams will not impact on our ability to support those in financial hardship. The trustees are committed to ensuring that funds are available should the need arise.

Risks and Uncertainties

Purpose and scope of the risk management policy

In the process of delivering its services, Education Support Partnership is subject to certain risks that affect its ability to operate, support its beneficiaries and staff in the education sector and protect its assets. These include risks to employees, service users, customers, financial risks, liability to others and risks to property. These risks are managed through an effective risk management policy that seeks to minimise, mitigate, or in certain cases, avoid these risks through appropriate management action. This policy was updated and approved by the Board in 2019.

The aim of the policy is for trustees and management within Education Support Partnership:

1. to understand as fully as possible the risks being faced or taken;
2. to take appropriate action to manage these risks where it is possible and cost effective to do so;
3. to minimise the risk that new initiatives adversely affect existing services;
4. to accept a higher level of uncertainty, if appropriate, when taking advantage of new opportunities.

The Senior Leadership Team is, through its day-to-day operational management of the charity, responsible for managing and controlling risk in line with the approved policy and framework agreed by the Board. Within Education Support Partnership, risks are categorised as follows:

- >Governance
- >Strategic – Financial
- >Strategic–People and Culture
- >Strategic–Research and Policy
- >Strategic–Service Delivery
- >Operational – Systems/processes/premises
- >Operational –ICT/Data

The most significant strategic risks are:

1. Governance effectiveness;
2. Financial capacity;
3. Implementing the appropriate culture.

The risk management policy, the strategic risks and an overview of the total risks facing the charity are reviewed annually by the Board of Trustees.

Third Party operational risk management

We continue to operate a robust quarterly audit program with our clinical auditor at our service centre in Ealing. These audits involve listening to calls as well as examining processes in place and exploring how improvements might be made. These audit meetings operate to ISO 9001:2008 standards and monitor contract performance, clinical and non-clinical standards as well as examining processes and procedures in place. These are supported by regular account management meetings.

These audits are designed to ensure that we are aware of risks to the Helpline and EAP service. These include operational risks but also risks which might impact upon the reputation of the services and the organisation and ultimately the users of our services. Mitigating actions are put in place to address any areas of potential concern. The safety and wellbeing of our service users is paramount and to that end, we ensure that our service centre takes risk management very seriously.

Pension Liability

The charity participates in a multi-employer scheme, which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004, which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This actuarial valuation showed assets of £795m, liabilities of £926m and a deficit of £132m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid to the scheme as follows:

- > In 2018/19 the charity contributed £61k as part of its obligations to fund this pension deficit. As at March 2019, the charity's liability for this deficit is £427k.
- > This pension scheme is now closed to employees. The charity currently offers a Defined Contribution scheme to employees. The charity introduced auto-enrolment during 2017/18.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group, the incoming resources and application of resources, including its income and expenditure, for the period. In preparing those financial statements the trustees are required to:

- > select suitable accounting policies and then apply them consistently;
- > state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- > make judgments and accounting estimates that are reasonable and prudent;
- > prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate sufficient accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information

included on the Charity's website. Legislation in the United Kingdom governing preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

- > there is no relevant audit information of which the charitable company's auditor is unaware; and
- > the trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Board of Trustees 18/09 2019

on and signed on their behalf by:

Dr Jeremy Reynolds (Chair)



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES EDUCATION SUPPORT PARTNERSHIP

Opinion

We have audited the financial statements of Education Support Partnership (the 'company') for the year ended 31 March 2019 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2019 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- trustees' annual report have 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 group and parent 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 where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 28, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent 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 group or parent 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

We have been appointed as auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

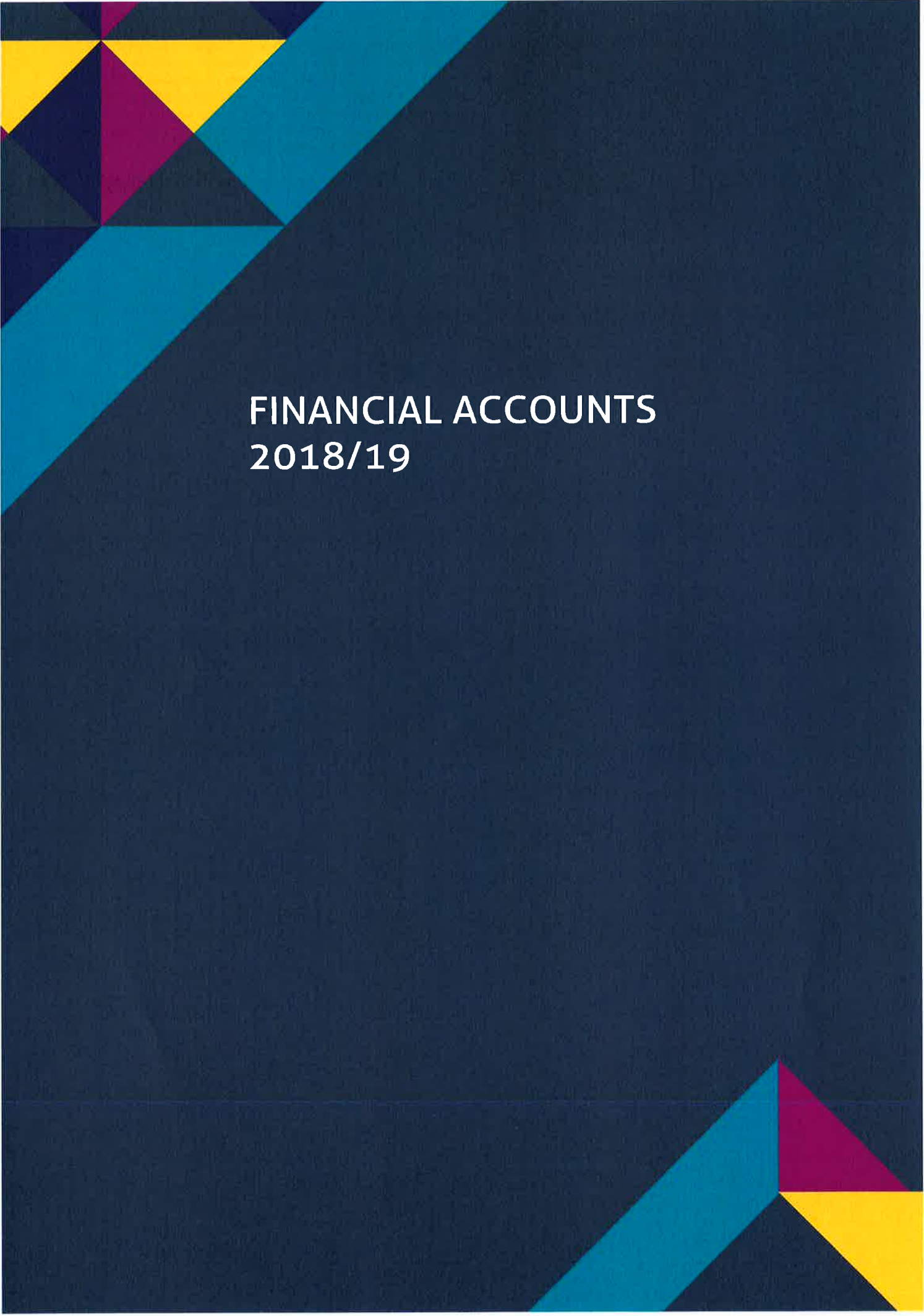
Moore Kingston Smith LLP

Shivani Kothari (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP,
Statutory Auditor

Date 30th September 2019

Devonshire House
60 Goswell
Road London
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The cover features a dark blue background with decorative geometric patterns in the top-left and bottom-right corners. These patterns consist of various colored triangles and quadrilaterals in shades of teal, yellow, and magenta. The text is centered in the upper half of the page.

FINANCIAL ACCOUNTS
2018/19

EDUCATION SUPPORT PARTNERSHIP

Consolidated statement of financial activities (incorporating an income and expenditure account) for the year ended 31 March 2019

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	Total Year to 31 March 2019 £	Restated Total Year to 31 March 2018 £
Income						
Donations and legacies		1,517,813	-	-	1,517,813	1,572,660
Trusts and Foundations		50,050	-	-	50,050	75,000
Paid for services		1,086,304	-	-	1,086,304	1,055,169
Policy and Research		15,010	-	-	15,010	
Investment Income	6	62,502	120,480	-	182,982	172,769
Total income		2,731,679	120,480	-	2,852,159	2,875,598
Expenditure						
Raising Funds						
Cost of generating voluntary income	5	536,681	53,796	-	590,477	496,110
Paid for services	5	791,978	-	-	791,978	841,340
Investment management costs		43,512	-	-	43,512	36,477
		1,372,171	53,796	-	1,425,967	1,373,927
Charitable expenditure						
Counselling and mental health advice service	5	69,064	558,790	-	627,854	640,244
Financial support Services	5	95,677	491,526	-	587,203	556,905
Communications, Policy and Research	5	43,145	349,083	-	392,228	251,111
Information and Online Services	5	15,213	123,091	-	138,304	154,665
Training and organisational development	5	29,598	239,472	-	269,070	310,763
Strategic Development and Restructure	5b,8	386,907	-	-	386,907	494,221
		639,604	1,761,962	-	2,401,566	2,407,909
Total Expenditure		2,011,775	1,815,758	-	3,827,533	3,781,836
Realised gains/(losses) on investments	11	62,967	119,129	2,248	184,344	(5,881)
Unrealised gains/(losses) on investments	11	1,190	2,251	42	3,483	(131,792)
Transfers between funds		-	-	-	-	-
Net gains/(losses) on investments		64,157	121,380	2,290	187,827	(137,673)
		784,061	(1,573,898)	2,290	(787,547)	(1,043,911)
Net income/(expenditure) for the year		784,061	(1,573,898)	2,290	(787,547)	(1,043,911)
Net movement in funds		784,061	(1,573,898)	2,290	(787,547)	(1,043,911)
Funds at 1 April 2018	16	2,824,368	3,040,010	57,358	5,921,736	6,965,647
Funds at 31 March 2019	17	3,608,429	1,466,112	59,648	5,134,189	5,921,736

All incoming resources and resources expended derive from continuing activities
All recognised gains and losses are reflected through the Consolidated Statement of Financial Activities and no separate Statement of Total Recognised Gains and Losses has been presented. The notes on pages 34 to 48 form part of these financial statements

EDUCATION SUPPORT PARTNERSHIP

Consolidated statement of financial activities (incorporating an income and expenditure account) for the year ended 31 March 2018

	Notes	Unrestricted funds	Restricted funds	Endowment funds	Total
		£	£	£	Year to 31 March 2018
					£
Income					
Donations and legacies		1,572,660	-	-	1,572,660
Trusts and Foundations		75,000	-	-	75,000
Paid for services		1,055,169	-	-	1,055,169
Investment Income	6	50,405	122,364	-	172,769
Total income		2,753,234	122,364	-	2,875,598
Expenditure					
Raising Funds					
Cost of generating voluntary income	5	496,110	-	-	496,110
Paid for services	5	841,340	-	-	841,340
Investment management costs		36,477	-	-	36,477
		1,373,927	-	-	1,373,927
Charitable expenditure					
Counselling service	5	64,024	576,220	-	640,244
Financial support services	5	143,425	413,480	-	556,905
Communications, Policy and Research	5	25,111	226,000	-	251,111
Information and on-line services	5	15,466	139,199	-	154,665
Training and organisational development	5	31,076	279,687	-	310,763
Strategic Development and Restructure	5a	494,221	-	-	494,221
		773,323	1,634,586	-	2,407,909
Total Expenditure		2,147,250	1,634,586	-	3,781,836
Realised gains/(losses) on investments	11	(1,788)	(4,093)	-	(5,881)
Unrealised gains/(losses) on investments	11	(38,450)	(91,727)	(1,615)	(131,792)
Transfers between funds		-	1,521	(1,521)	-
Net gains/(losses) on investments		(40,238)	(94,299)	(3,136)	(137,673)
		565,746	(1,606,521)	(3,136)	(1,043,911)
Net income/(expenditure) for the year		565,746	(1,606,521)	(3,136)	(1,043,911)
Net movement in funds		565,746	(1,606,521)	(3,136)	(1,043,911)
Funds at 1 April 2017	16	2,664,219	4,240,934	60,494	6,965,647
Funds at 31 March 2018	17	3,229,965	2,634,413	57,358	5,921,736

All incoming resources and resources expended derive from continuing activities

All recognised gains and losses are reflected through the Consolidated Statement of Financial Activities and no separate Statement of Total Recognised Gains and Losses has been presented. The notes on pages 34 to 48 form part of these financial statements

EDUCATION SUPPORT PARTNERSHIP

Balance sheets as at 31 March 2019

Company registration number: 9311354

	Notes	at 31 March 2019 Group £	at 31 March 2019 Charity £	at 31 March 2018 Group £	at 31 March 2018 Charity £
Fixed assets					
Tangible fixed assets	10	1,165,271	1,165,271	1,185,783	1,185,783
Intangible Fixed Assets	10	1,134	1,134	17,206	17,206
Investments	11	4,246,775	4,246,877	5,126,595	5,126,697
		<u>5,413,180</u>	<u>5,413,282</u>	<u>6,329,584</u>	<u>6,329,686</u>
Current assets					
Debtors	12	412,850	412,848	516,868	516,866
Cash at bank and in hand		501,779	501,779	239,949	239,949
		<u>914,629</u>	<u>914,627</u>	<u>756,817</u>	<u>756,815</u>
Creditors: amounts falling due within one year	13	<u>(837,478)</u>	<u>(837,578)</u>	<u>(750,035)</u>	<u>(750,135)</u>
Net current assets		<u>77,151</u>	<u>77,049</u>	<u>6,782</u>	<u>6,680</u>
Pension Provision	14	<u>(356,142)</u>	<u>(356,142)</u>	<u>(414,630)</u>	<u>(414,630)</u>
Net assets		<u>5,134,189</u>	<u>5,134,189</u>	<u>5,921,736</u>	<u>5,921,736</u>
Funds					
Endowment	16 (a)	59,648	59,648	57,358	57,358
Restricted	16 (b)	1,466,112	1,466,112	3,040,010	3,040,010
Unrestricted:					
General Fund	16 (c)	3,608,429	3,608,429	2,824,368	2,824,368
		<u>3,608,429</u>	<u>3,608,429</u>	<u>2,824,368</u>	<u>2,824,368</u>
Funds at 31 March 2019	17	<u>5,134,189</u>	<u>5,134,189</u>	<u>5,921,736</u>	<u>5,921,736</u>

These financial statements have been prepared in accordance with the provisions applicable to the small companies regime.

These financial statements were approved by the Board of Trustees and authorised for issue on 18/9/19

and signed on their behalf by:

 (Dr Jeremy Reynolds)

EDUCATION SUPPORT PARTNERSHIP

**CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2019**

	Year to 31 March 2019	Year to 31 March 2018
	£	£
Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the year as per the statement of financial activities	(787,547)	(1,043,911)
Adjustments for		
Depreciation charges	36,584	32,321
Loss/(Gain) on investments	(187,827)	137,673
Dividends, interest and rents from investments	(182,982)	(172,769)
(Increase)/Decrease in debtors	104,018	431,741
Increase/(Decrease) in creditors	28,955	10,331
Net cash provided by operating activities	<u>(988,799)</u>	<u>(604,614)</u>
Net cash flow provided by operating activities	(988,799)	(604,614)
Cash flows from investing activities		
Dividends, interest and rent from investments	182,982	172,769
Proceeds from the sale of property, plant and equipment	-	-
Purchase of property, plant and equipment	-	-
Proceeds from sale of investments	1,380,888	510,959
Purchase of investments	(322,097)	(545,249)
Net cash provided by investing activities	<u>1,241,773</u>	<u>138,479</u>
Change in cash and cash equivalents in the reporting period	252,974	(466,135)
Cash and cash equivalents at the beginning of the reporting period	293,562	759,697
Cash and cash equivalents at the end of the reporting period	<u>546,536</u>	<u>293,562</u>
Analysis of cash and cash equivalents	£	£
Cash at bank and in hand	501,779	239,949
Cash held by broker	44,757	53,613
Total cash and cash equivalents	<u>546,536</u>	<u>293,562</u>

Notes to the financial statements For the year ended 31 March 2019

1 Company Information

Education Support Partnership is a private limited company incorporated in the United Kingdom on 14 November 2014, under Company Number 9311354.

The company's registered office is 40A Drayton Park, London N5 1EW.

2 Basis of Preparation

The charitable Group is a public benefit group for the purposes of FRS102 and therefore the charity also prepared its financial statements in accordance with Statement of Recommended Practices applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2016, and the Charities Act 2011.

The group financial statements consolidate the financial statements of Education Support Partnership and its entire subsidiary undertakings drawn up to 31 March each year.

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

Going Concern

After reviewing the group's forecasts and projections, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

3 Accounting policies

The following indicates the principal policies adopted:

(i) Income and expenditure

All items of income and expenditure are accounted for on an accruals basis. Where contracts are awarded in favour of the company for fixed terms, contract income and the direct costs associated with the contract are accrued evenly over the duration of the contract.

Income

The specific bases for accounting for income are described below.

Donations are included in full in the statement of financial activities when received.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made; or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified to the executor's intention to make a distribution.

Notes to the financial statements For the year ended 31 March 2019

Trusts and foundation grants is a when entitlement to the grant is confirmed.
Paid for services income is recognised when the services are delivered.

Investment income is included in the Statement of Financial Activities in the year in which it is receivable.

(ii) Tangible assets

Tangible fixed assets are measured at cost less accumulated depreciation to date and any accumulated impairment losses. Depreciation is calculated to write down the cost less residual value of all tangible fixed assets over their expected useful lives, using the straight line method. The rates applicable are:

Computer equipment and software	3 years
Furniture and fittings	5 years

Our Head office leasehold is depreciated over the period of the lease (155 years) on a straight line basis. Refurbishment costs associated with the property are depreciated over 50 years on a straight line basis.

(iii) Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

(iv) Investments

Listed investments are included in the financial statements at bid value at the balance sheet date. Gains/losses on disposal of investments and revaluation of investments are recognised in the year of gain or loss and are allocated to the funds to which the investments relate. Investments in subsidiaries are included in the financial statements at cost.

(v) Debtors

Short term debtors are measured at transaction price, less any impairment.

Notes to the financial statements

For the year ended 31 March 2019

3 Accounting policies (continued)

(vi) Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

(vii) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the company. All other leases are classified as operating leases. Rentals payable under operating leases are charged on a straight line basis over the lease term, unless the rental payments are structured to increase in line with general inflation, in which case the company recognises annual rent expense equal to amounts owed to the lessor.

(viii) Taxation

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied for its charitable purposes.

(ix) Turnover

Turnover arises from the company's principal activities of providing support, assistance and training and consists of amounts invoiced net of VAT. All turnover arises in the U.K.

(x) Expenditure allocation

Expenditure has been allocated to restricted and unrestricted funds by direct attribution where possible, or by the proportion of service usage reported and attributed to each fund.

(xi) Employee benefits

Short term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred. In line with FRS 102 accrued holiday has been included as an expense in the period in which the entitlement arose.

(xii) Pensions

The Charity has two pension schemes a defined contribution scheme for current employees and a closed defined benefit scheme. The latter, is a multi-employer scheme and is currently in deficit. The charity is paying contributions to eliminate the deficit in accordance with the deficit reduction plan.

The assets of the defined contribution scheme are held separately from those of the Charity in independently administered funds. The pension cost charge represents contributions payable to the scheme contributions payable to the scheme in the year. The Charity has no liability under the scheme other than the payment of those contributions.

(xiii) Funds

General funds are those that are available for use at the Trustees' discretion in the furtherance of the Charity's objectives. Designated funds are unrestricted funds set aside for unrestricted purposes and which would otherwise form part of general funds. Details of the nature and purpose of each fund are set out in note 16c.

Restricted funds are funds that are subject to restrictions imposed by donors and are applied in accordance with these restrictions. Details of the nature and purpose of each restricted fund are set out in note 16b.

The Charity has one Endowment fund, the Cutler Trust. Income derives from the investment of the fund and is used to promote the education of persons in need under 25 years of age, whose parents are or were teachers in the London area.

Notes to the financial statements

For the year ended 31 March 2019

(xiv) Support Costs

Support costs are those functions that assist the work of the Charity and mainly comprise of staff costs and overheads. These costs have been allocated between costs of raising funds and charitable expenditure.

4 Significant judgements and estimates

In preparing these financial statements, the Trustees have made the following judgements:

Legacy income is based on proof of entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable.

Investment Property is valued at open market value at the reporting date, less an adjustment to reflect the discount that would be applied to the sale value on the basis of an incumbent tenant.

Investments – Listed investments are valued at the quoted bid price at the reporting date.

Tangible Fixed Assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually.

EDUCATION SUPPORT PARTNERSHIP

Notes to the financial statements For the year ended 31 March 2019

5 Allocation of Support Costs	Grants	Direct Staff costs	Other Direct costs	Support Costs	Year to March 2019	Restated Year to March 2018
	£	£	£	£	Total £	Total £
Counselling and mental health advice service	-	30,378	569,346	28,130	627,854	643,781
Financial support	342,193	96,375	-	148,635	587,203	571,886
Communications, Policy and Research	-	130,582	110,284	151,362	392,228	268,285
Information and on-line services	-	52,285	10,719	75,300	138,304	161,725
Training and organisational development	-	-	269,070	-	269,070	230,006
Paid for services	-	342,422	44,944	404,612	791,978	854,037
Cost of generating voluntary income	-	240,543	111,776	238,158	590,477	521,418
Total	342,193	892,585	1,116,139	1,046,197	3,397,114	3,251,138

The support costs allocation methodology was changed to reflect the more accurate representation of direct and support costs within the organisation. Resources expended are allocated to the particular activity where the cost relates directly to that activity. 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. The same methodology was applied to restate the 17/18 support costs.

Counselling and mental health advice services represent the costs of delivering Employee Assistance Program, Free Helpline and Occupational Health Services.

Financial Services relate to grants awarded to help people with the burden of short term debt, financial emergencies, pay for essential unaffordable items to improve health and wellbeing, and stay in or get back to work. All grants are paid to individuals.

Communications and Policy represents the costs associated with survey, research and statistical analysis in order to bring awareness of the challenges within the education sector.

Information and on-line service costs represent the expenditure associated with commissioning social media content, marketing and events to increase awareness and promote our services.

Training and organisational development represent the costs of delivering staff and leadership development programs, staff engagement surveys and wellbeing training.

Paid for services costs relate to the delivery of our commercial products and services.

Costs of generating voluntary income represent the costs of running and supporting our fundraising function.

5a Restatement of 2018 expenditure

During the year expenditure costs apportionment and classification was changed allowing better representation of charitable activities carried by the organisation. 17/18 charitable expenditure on the statement of financial activities was re-stated accordingly for comparative purposes.

	Support Costs March 2019	Restated Support Cost March 2018
	£	£
Support costs include:		
Office administration costs	208,660	196,435
Building administration costs	78,289	66,720
Organisational Management	243,019	163,383
Human Resources costs	145,356	182,248
Finance Costs	138,516	141,306
Professional fees	37,461	105,350
Marketing and communications costs	10,356	26,871
IT Costs	76,781	124,512
Governance costs	107,759	76,868
Total overheads	1,046,197	1,083,693

Increase in organisational management reflects the organisational decision to recruit 3 new directors into the Senior Leadership Team. This happened mainly in 18/19 financial year.

Decrease in Human Resources costs in the current year is due to lower recruitment expenses incurred in a year.

Professional Fees costs decline is associated with the strategy development undertaken throughout 17/18 FY.

Decrease in IT Costs is due to IT hardware and software upgrades committed in 17/18 to improve the organisational IT security and IT infrastructure.

Increase in governance costs is due to higher apportionment of staff costs reflecting the changes to organisational Senior Leadership Team.

5b Strategy Development

Strategic development costs were paid to improve our infrastructure, knowledge and our income generation with funding provided by Trustees to make improvements to our IT infrastructure, develop our Research knowledge and review and test our donor program

In addition part of the fund is drawn down to pay our Employer Pension contributions in line with the agreed valuation of the fund

The main components of strategic development are:

	£
Research review	20,000
IT infrastructure	26,800
Brand Refresh	9,500
Fundraising review	15,244
Pension contribution	61,833
Strategy Development	<u>67,480</u>
	200,857

5c Governance Costs

Costs classified as governance relate to the general running of the charity and included operation of the Board of Trustees and addressing constitutional, audit and other statutory matters, and are made up of the following:

	March 2019	Restated March 2019
	£	£
Audit fees	16,872	14,705
Governance Travel and Subsistence	13,172	10,992
Governance Meetings	7,900	600
Apportionment of staff costs	57,329	34,812
Trustee Recruitment	3,330	-
Professional and Legal Costs	9,156	15,759
Total	107,759	76,868

EDUCATION SUPPORT PARTNERSHIP

Notes to the financial statements For the year ended 31 March 2019

6	Investment Income	General Funds £	Restricted Funds £	Year to	Year to
				March 2019 Total £	March 2018 Total £
	Income from listed investments	181,511	-	181,511	169,298
	Bank interest receivable	1,471	-	1,471	3,471
		<u>182,982</u>	<u>-</u>	<u>182,982</u>	<u>172,769</u>
7	Net outgoing resources for the year is stated after charging			Year to March 2019 £	Year to March 2018 £
	Depreciation			36,584	32,321
	Auditor's remuneration:				
	Audit fees (excluding VAT)			15,700	15,200
	Accrual for 16/17				(495)
	Other services				-
					Memo restated
8	Employee information			Year to March 2019 £	Year to March 2018 £
	Employee Costs				
	Wages and salaries			1,250,889	902,643
	Social security costs			120,817	95,775
	Pension costs			126,411	70,375
	Redundancy payments within year			13,765	12,550
				<u>1,511,882</u>	<u>1,081,343</u>
				No.	No.
	The average number of employees during the period was:				
	Fundraising			4	4
	Paid for Services			6	7
	Financial Support			2	1
	Information and on-line services			2	5
	Communications, Policy and Research			3	-
	Administration			9	8
	Total			<u>26</u>	<u>25</u>
				Year to March 2019	Year to March 2018
	Key management personnel aggregate pay (including NI and pension)			<u>475,043</u>	<u>389,507</u>
	During the year key management personnel comprised of:				
	CEO				
	Director of Resources				
	Director of Services				
	Director of Fundraising				
	During the year the organisation made one payment under a settlement agreement. The total amount paid in relation to this settlement agreement was £186,050. (2017/18: NIL). This figure is included in the total wages and salary figure above.				
	Employee information				
	The number of employees earning in excess of £60,000 per annum (including taxable benefits but excluding pension contributions) was:				
				Year to March 2019	Year to March 2018
	over £100,000			1	
	£90,001 to £100,000				1
	£80,000 to £90,000			1	
	£70,000 to £80,000			1	
	£60,000 to £70,000				2
				<u>1</u>	<u>2</u>
9	Trustees			Year to March 2019 £	Year to March 2018 £
	Trustees provide their services without remuneration				
	Total expenses reimbursed to the trustees (including amounts paid on behalf of trustees) for travel, accommodation and subsistence			7,662	7,832
	Number of trustees claiming expenses during the year			9	8

EDUCATION SUPPORT PARTNERSHIP

**Notes to the financial statements
For the year ended 31 March 2019**

10	Tangible fixed assets			Intangible fixed assets
Group & Charity	Leasehold property including refurbishment	Furniture, equipment fixtures & fittings	Total	Software
	£	£	£	£
Cost				
At 1 April 2018	1,314,276	195,693	1,509,969	65,236
Additions			-	
Disposals			-	
At 31 March 2019	<u>1,314,276</u>	<u>195,693</u>	<u>1,509,969</u>	<u>65,236</u>
Accumulated depreciation				
At 1 April 2018	137,167	187,019	324,186	48,030
Charge for the year	13,630	6,882	20,512	16,072
Disposals			-	
At 31 March 2019	<u>150,797</u>	<u>193,901</u>	<u>344,698</u>	<u>64,102</u>
Net book value				
At 31 March 2019	<u>1,163,479</u>	<u>1,792</u>	<u>1,165,271</u>	<u>1,134</u>
At 31 March 2018	<u>1,177,109</u>	<u>8,674</u>	<u>1,185,783</u>	<u>17,206</u>

EDUCATION SUPPORT PARTNERSHIP

**Notes to the financial statements
For the year ended 31 March 2019**

11 Fixed asset investments

Summary	March 19 Group £	March 19 Charity £	March 18 Group £	March 18 Charity £
Listed investments (a)	3,824,275	3,824,275	4,704,095	4,704,095
Unlisted investment (b)	-	102	-	102
Investment Property (c)	422,500	422,500	422,500	422,500
	<u>4,246,775</u>	<u>4,246,877</u>	<u>5,126,595</u>	<u>5,126,697</u>

**(a) Listed Investments
Group & Charity**

	Unrestricted			Endowment	Total		
	Fixed Interest £	Equities £	Overseas Equities £	Alternative Investments £	Equities £	Year to March 2019 £	Year to March 2018 £
At 1 April 2018	968,885	1,589,901	1,082,774	1,008,918	-	4,650,478	4,753,861
Additions	-	19,030	251,937	51,130	-	322,097	545,249
Disposals	(245,688)	(406,842)	(410,937)	(317,421)	-	(1,380,888)	(510,959)
Realised gain/(loss)	-	184,344	-	-	-	184,344	(5,881)
Unrealised gain/(loss)	22,365	140,034	4,426	(163,342)	-	3,483	(131,792)
	<u>745,562</u>	<u>1,526,467</u>	<u>928,200</u>	<u>579,285</u>	<u>-</u>	<u>3,779,514</u>	<u>4,650,478</u>
Cash held by broker						44,761	53,617
At 31 March 2019	<u>745,562</u>	<u>1,526,467</u>	<u>928,200</u>	<u>579,285</u>	<u>-</u>	<u>3,824,275</u>	<u>4,704,095</u>
Historical cost						<u>3,337,246</u>	<u>4,240,265</u>

Unrestricted fund investments consist of a portfolio of listed investment managed on the Charity's behalf by professional fund managers. The following investments make up more than 5% of the total investment portfolio:

	% of total %	Market Value £
United Kingdom (Government of) 4.25% Gilt Snr Bds	5.77	218,250
JPMorgan American Investment Trust	7.91	302,628
Kleinwort Benson Investors Institut Instl North America Equity	6.70	256,154

EDUCATION SUPPORT PARTNERSHIP

**Notes to the financial statements
For the year ended 31 March 2019**

**11 Fixed asset investments (continued)
(b) Unlisted investments**

	Group	Charity	Group	Charity
	at 31 March	at 31 March	at 31 March	at 31 March
	2019	2019	2018	2018
	£	£	£	£
100% interest in TBF Holdings Limited (i) Incorporated in the United Kingdom, Company Number 4328710	-	100	-	100
100% interest in TBF Trading (No. 2) Limited (ii) Incorporated in the United Kingdom, Company Number 4162015	-	2	-	2
	<u>-</u>	<u>102</u>	<u>-</u>	<u>102</u>

(i) Education Support Partnership owns the entire share capital of TBF Holdings Limited, a company limited by shares and incorporated in England and Wales.

Extracts of the results of TBF Holdings Limited are shown below:

	Year to	Year to
	31 March 2019	31 March 2018
	£	£
Turnover	-	-
Administration expenses	-	-
Provision for asset impairment	-	-
Taxation	-	-
Retained profit/(loss) for the year	<u>-</u>	<u>-</u>
Net assets	<u>-</u>	<u>-</u>

(ii) Education Support Partnership owns the entire share capital of TBF Trading (No. 2) Limited, a company limited by shares and incorporated in England and Wales. The company was dormant during the year and the previous period.

	at 31 March	at 31 March
	2019	2018
	£	£
Market value at 1st April 2018	422,500	422,500
Unrealised gain on valuation	-	-
Market value at 31st March 2019	<u>422,500</u>	<u>422,500</u>

The value of the property has been kept at the same value as the previous set of accounts (£650,000)

Advice was taken from an estate agent local to the property indicating that a discount 35% should be applied to the market value of the property due to living tenant. There is no investment property gain or loss for this year.

EDUCATION SUPPORT PARTNERSHIP

Notes to the financial statements For the year ended 31 March 2019

12 Debtors

	Mar-19	Mar-19	Mar-18	Mar-18
	Group	Charity	Group	Charity
	£	£	£	£
Trade debtors	183,842	183,842	137,849	137,849
Prepayments and accrued income	51,076	51,076	145,382	145,382
Legacy debtor	99,999	99,999	81,953	81,953
Other debtors	48,382	48,380	122,543	122,541
Welfare loans	29,551	29,551	29,141	29,141
	<u>412,850</u>	<u>412,848</u>	<u>516,868</u>	<u>516,866</u>

Legacy debtor relates to legacy income which was awarded before 31 March 2019 and had been accrued as required by FRS 102.

13 Creditors: amounts falling due within one year

	Mar-19	Mar-19	Mar-18	Mar-18
	Group	Charity	Group	Charity
	£	£	£	£
Amount due to subsidiary undertakings	-	100	-	100
Trade creditors	160,113	160,113	184,997	184,997
Taxation and social security costs	49,555	49,555	31,453	31,453
Pensions including pension fund deficit contribution plan	83,530	83,530	73,430	73,430
Accruals and deferred income including holiday pay	532,507	532,507	454,961	454,961
Other creditors	11,773	11,773	5,194	5,194
	<u>837,478</u>	<u>837,578</u>	<u>750,035</u>	<u>750,135</u>

13a Deferred Income

	Mar-19	Mar-18
	£	£
Deferred Income b/f	333,819	252,512
Released in year	(4,367,318)	(4,059,207)
Deferred to next year	<u>4,415,127</u>	<u>4,140,515</u>
Deferred income c/f	<u>381,628</u>	<u>333,819</u>

Deferred income relates to paid for services that are expected to be delivered over several month. Employee Assistance Program and Positive Workplace Program services are delivered over 12 month period from the start of the contract. Headspace/ Yourspace and training and development service deferrals based on the duration of the individual contracts.

14 Pension Provision

	Mar-19	Mar-19	Mar-18	Mar-18
	Group	Charity	Group	Charity
	£	£	£	£
Pensions including pension fund deficit contribution plan	<u>356,142</u>	<u>356,142</u>	<u>414,630</u>	<u>414,630</u>
	<u>356,142</u>	<u>356,142</u>	<u>414,630</u>	<u>414,630</u>

EDUCATION SUPPORT PARTNERSHIP

Notes to the financial statements For the year ended 31 March 2019

15 Pension Scheme

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions
From 1 April 2019 to 31 January 2025: **£11,243,000 per annum** (payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £989.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions
From 1 April 2016 to 30 September 2025: **£12,945,440 per annum** (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028: **£54,560 per annum** (payable monthly and increasing by 3% each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

PRESENT VALUES OF PROVISION

	31 March 2019 (£000s)	31 March 2018 (£000s)	31 March 2017 (£000s)
Present value of provision	427	476	536

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending 31 March 2019 (£000s)	Period Ending 31 March 2018 (£000s)
Provision at start of period	476	536
Unwinding of the discount factor (interest expense)	8	7
Deficit contribution paid	(61)	(60)
Remeasurements - impact of any change in assumptions	4	(7)
Remeasurements - amendments to the contribution	-	-
Provision at end of period	427	476

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 March 2019 (£000s)	Period Ending 31 March 2018 (£000s)
Interest expense	8	7
Remeasurements - impact of any change in assumptions	4	(7)
Remeasurements - amendments to the contribution	-	-
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

EDUCATION SUPPORT PARTNERSHIP

Notes to the financial statements For the year ended 31 March 2019

ASSUMPTIONS

	31 March 2019	31 March 2018	31 March 2017
	% per annum	% per annum	% per annum
Rate of discount	1.39	1.71	1.32

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 March 2019 (£000s)	31 March 2018 (£000s)	31 March 2017 (£000s)
Year 1	71	61	60
Year 2	73	63	61
Year 3	75	65	63
Year 4	77	67	65
Year 5	80	69	67
Year 6	66	71	69
Year 7	-	73	71
Year 8	-	38	73
Year 9	-	-	38
Year 10	-	-	-

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

EDUCATION SUPPORT PARTNERSHIP

Notes to the financial statements For the year ended 31 March 2019

Statement of Changes in Reserves 16a Endowment fund

	Balance as at 31 March 2018	Income	Expenditure	Gains/ (Losses) on Investments	Transfers	Balance as at 31 March 2019
	£	£	£	£	£	£
Cutler Trust	57,358			2,290		59,648

The Cutler Trust is a permanent endowment to promote the education of persons in need under 25 years of age, whose parents are or were teachers in the London area.

16b Restricted funds for the year to 31 March 2019	Balance as at 31 March 2018	Income	Expenditure	Gains/ (Losses) on Investments	Transfers	Balance as at 31 March 2019
	£	£	£	£	£	£
Cutler Trust	4,296	2,398	(2,249)	171		4,616
TeachWell grant	12,444	484	-	497	-	13,425
G Hollows	4,973	193	-	199	-	5,365
Kent NAHT	5,465	213	-	218	-	5,896
Scottish Teachers & Lecturers	4,427	172	(2,032)	177	-	2,744
NUT Development Workers Fund	5,915	230	-	236	-	6,381
Widows Fund	5,655	220	(680)	226	-	5,421
Alan Naylor legacy	20,703	805	(15,091)	827	-	7,244
CSiS Grant	61	2	(61)	2	-	4
Teacher Support Network Funds	1,724,385	67,075	(1,563,948)	68,850	-	296,362
Recourse Funds	1,251,686	48,688	(231,697)	49,977	-	1,118,654
	3,040,010	120,480	(1,815,758)	121,380	-	1,466,112

Restricted funds for the year to 31 March 2018	Balance as at 31 March 2017	Income	Expenditure	Gains/ (Losses) on Investments	Transfers	Balance as at 31 March 2018
	£	£	£	£	£	£
Cutler Trust	3,637	2,220	(3,000)	(82)	1,521	4,296
TeachWell grant	12,373	351	-	(280)	-	12,444
G Hollows	4,945	140	-	(112)	-	4,973
Kent NAHT	5,434	154	-	(123)	-	5,465
Scottish Teachers & Lecturers	5,991	170	(1,599)	(135)	-	4,427
NUT Development Workers Fund	5,881	167	-	(133)	-	5,915
Widows Fund	6,020	171	(400)	(136)	-	5,655
Alan Naylor legacy	24,944	707	(4,384)	(564)	-	20,703
CSiS Grant	10,735	304	(10,735)	(243)	-	61
Teacher Support Network Funds	2,814,777	79,810	(1,106,605)	(63,597)	-	1,724,385
Recourse Funds	1,346,197	38,170	(102,266)	(30,415)	-	1,251,686
	4,240,934	122,364	(1,228,989)	(95,820)	1,521	3,040,010

- Restricted funds arise from receipt of restricted grants, donations and legacies. Expenditure may only be charged against these funds provided it is in accordance with the restrictions imposed by various donors.
- Income arising from The Cutler Trust is applied to welfare grants towards the education of persons in need under 25 years of age, whose parents are or were teachers in the London area.
- Teach Well grant was provided by NASUWT to undertake research and develop Teach Well tools
- G Hollows fund was created as a memorial to Graham Hollows to develop an online wellbeing tool
- Kent NAHT Benevolent Fund was disbanded and residual funds transferred to distribute welfare grants to members, spouses and dependants of NAHT Kent and Kent Federation of Head Teachers Associations.
- Scottish Teachers and Lecturers fund was created on the dissolution of Teacher Support Scotland to fund services in Scotland.
- NUT Development Workers Fund is a grant provided by NUT to revive local operations and maintain the relationship with the NUT.
- Widows Fund was provided by the widow of a former teacher to support young widows with children.
- Alan Naylor legacy assists with residential care and housing support for our elderly beneficiaries
- CSiS provided a grant to extend our welfare grants programme
- Recourse funds transferred on merger to Education Support Partnership are restricted to the objects of Recourse.
- Teacher Support Network funds transferred on its merger to Education Support Partnership are restricted to the objects of Teacher Support Network.

EDUCATION SUPPORT PARTNERSHIP

Notes to the financial statements
For the year ended 31 March 2019

Statement of Changes in Reserves (continued)

16c Unrestricted funds	Balance at 1 April 2018	Transfers	Net movement in funds excl transfers	Balance at 31 March 2019
Group	£	£	£	£
Unrestricted Funds:	2,824,368		784,061	3,608,429
Comprise of:				
Designated Fund				
Fixed Asset	1,202,989		(36,584)	1,166,405
Development Fund	645,904		(200,857)	445,047
Grant Reserve		350,000		350,000
Free Reserves	975,475	(350,000)	1,021,502	1,646,977
	<u>2,824,368</u>	<u>-</u>	<u>784,061</u>	<u>3,608,429</u>

- (a) The Tangible fixed asset fund represents the net book value of the charity's fixed assets.
- (b) The Development Fund represents the fund designated for the strategic development and growth of the charity.
In 2016/17 the Board of Trustees set up a designated development fund of £390k towards 'investment' activities to grow the charity. For 17/18 the Board of Trustees designated a further £1m of free reserves into a new development fund for the strategic development and growth of the charity. £744k was spent between 16/17 and 17/18 and further £201k was spent in 18/19. The organisation will be reviewing its investment requirements in 19/20 and any funds no longer required will be undesignated.
- (c) The Grants Fund represents monies set aside to ensure that any short term issues in income streams will not impact on our ability to support those in financial hardship. The trustees are committed to ensuring funds are available should the need arise.

EDUCATION SUPPORT PARTNERSHIP

Notes to the financial statements
For the year ended 31 March 2019

17 Analysis of Group and Charity net assets between funds

	General fund £	Endowment fund £	Restricted funds £	Designated funds £	Total funds £
2019					
Fixed assets	-	-	-	1,166,405	1,166,405
Investments	2,721,015	59,648	1,466,112	-	4,246,775
Current assets	119,582	-	-	795,047	914,629
Current liabilities	(837,478)	-	-	-	(837,478)
Long term liabilities	(356,142)	-	-	-	(356,142)
Net assets at 31 March 2019	1,646,977	59,648	1,466,112	1,961,452	5,134,189

Analysis of Group and Charity net assets between funds

	General fund £	Endowment fund £	Restricted funds £	Designated funds £	Total funds £
2018					
Fixed assets	-	-	-	1,202,989	1,202,989
Investments	2,029,227	57,358	3,040,010	-	5,126,595
Current assets	110,913	-	-	645,904	756,817
Current liabilities	(750,035)	-	-	-	(750,035)
Long term liabilities	(414,630)	-	-	-	(414,630)
Net assets at 31 March 2018	975,475	57,358	3,040,010	1,848,893	5,921,736

Analysis of Charity net assets between funds

	General fund £	Endowment fund £	Restricted funds £	Designated funds £	Total funds £
2019					
Fixed assets	-	-	-	1,166,405	1,166,405
Investments	2,024,348	57,358	3,044,891	-	4,246,877
Current assets	119,580	-	-	795,047	914,627
Current liabilities	(837,578)	-	-	-	(837,578)
Long term liabilities	(356,142)	-	-	-	(356,142)
Net assets at 31 March 2019	1,029,115	57,358	3,044,891	1,854,316	5,134,189

Analysis of Charity net assets between funds

	General fund £	Endowment fund £	Restricted funds £	Designated funds £	Total funds £
2018					
Fixed assets	-	-	-	1,202,989	1,202,989
Investments	2,029,329	57,358	3,040,010	-	5,126,697
Current assets	110,911	-	-	645,904	756,815
Current liabilities	(750,135)	-	-	-	(750,135)
Long term liabilities	(414,630)	-	-	-	(414,630)
Net assets at 31 March 2018	975,475	57,358	3,040,010	1,848,893	5,921,736

EDUCATION SUPPORT PARTNERSHIP

Notes to the financial statements For the year ended 31 March 2019

18 Operating lease commitments

At 31 March 2019 the group had total future minimum lease commitments under non-cancellable operating leases as follows:

	Plant and Machinery	
	Mar 19	Mar 18
	£	£
Maturing within one year (equipment)	11,657	11,388
Maturing between one and five years (equipment)	35,942	45,552

EDUCATION SUPPORT PARTNERSHIP

**Notes to the financial statements
For the year ended 31 March 2019**

19 Related party transactions

There were no identified related party transactions in 18/19 FY (17/18 FY: none)

The total donations received from trustees in 18/19 FY amounted to £919 from 3 trustees (3 trustees in prior year donated £1,451)

EDUCATION SUPPORT PARTNERSHIP

Notes to the financial statements For the year ended 31 March 2019

20 Financial Instruments

	Mar 19 £	Mar 18 £
Financial asset measured at fair value	422,500	422,500
Financial assets measured at amortised cost	369,272	471,329
Financial liabilities measured at amortised cost	787,923	718,582



