

THE PROFESSIONAL TEACHING INSTITUTE
(An incorporated charity limited by Guarantee)
REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

Registered Charity No. 1116224
Company No. 05910443

THE PROFESSIONAL TEACHING INSTITUTE
REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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THE PROFESSIONAL TEACHING INSTITUTE

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30 SEPTEMBER 2022

The directors and charity Trustees (The "Trustees") of The Professional Teaching Institute (the "PTI") present their report together with the audited financial statements of the charity for the year to 30 September 2022. The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the Charity's Memorandum and Articles of Association, applicable law and the requirements of the FRS 102 Charities SORP, the Companies Act 2006 and Charities Act 2011.

Company and Charity details:

The Professional Teaching Institute

The Professional Teaching Institute is a registered charity numbered 1116224 and a company limited by guarantee numbered 05910443. The charity/company changed its name from The Prince's Teaching Institute to The Professional Teaching Institute with effect from 24 July 2019. The company was incorporated on 18 August 2006 and effectively commenced its activities on 1 January 2007. The company is registered in England & Wales and its registered office is 14-15 Lower Grosvenor Place, London, SW1W 0EX.

Royal Founding Patron:	HM The King
Honorary President	Sir Harvey McGrath
Directors and charity Trustees who served during the year	Keith M Breslauer (Chairman) John Greenshields Raj Kumar Julie Mercer Baroness Sally Morgan of Huyton Richard Sheriff OBE
Company Secretary	Julia Bagguley (resigned 30 September 2022) Claire Clark (appointed 30 September 2022)
Co-directors	Carolyn Roberts Christopher N. H. Pope
PTI Education Ltd	The charity established a trading subsidiary, PTI Education Ltd on 31 August 2016. It is a company Limited by shares numbered 10353080 and is registered in England & Wales. Its registered office is 14-15 Lower Grosvenor Place, London, SW1W 0EX.
Auditor	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG
Legal advisors	Farrer & Co 66 Lincoln's Inn Fields London WC2A 3LH Penningtons Manches LLP 125 Wood Street London EC2V 7AW

THE PROFESSIONAL TEACHING INSTITUTE
REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2022

Financial advisors	CCLA Investment Management Ltd Two Fitzroy Place One Angel Lane London EC4R 3AB
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Bankers	HSBC Bank plc 69 Pall Mall London SW1Y 5EY
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Principal address	14-15 Lower Gosvenor Place London SW1W 0EX
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The foregoing legal and administrative information is correct as at 26 January 2023.

Objectives, activities and public benefit

Objectives

The PTI is committed to improving the education of children in state schools in England and Wales. Working in partnership with the University of Cambridge, it aims to inspire teachers to give young people aspiration and transformative subject experiences.

The Trustees are pursuing this object by working with school teachers to:

- **Promote inspiring subject teaching:** Working with eminent academics and speakers, the PTI re-ignites teachers' passion for their subject and promotes the idea that subject rigour is essential for effective teaching to children of all abilities, as opposed to concentrating only on examination specifications. Through re-igniting teacher ambition, student aspirations are raised in turn.
- **Maintain standards of school subject provision:** The PTI works with schools to ensure that they make rigorous curriculum choices, avoiding "easy choices" that result in children not receiving a good grounding of knowledge for life. It encourages teachers to teach beyond the test, introduce more subject-based extra-curricular activities, increase the amount of subject-based training received by staff in departments and become involved in more subject-based networks outside school.

Activities

The PTI helps teachers to learn from the example of the best of their peers and leading academics and experts. It works with school leaders at secondary and primary levels and across the following subjects: English, History, Geography, Mathematics, Science, Modern Foreign Languages, Art and Music. Additionally, it is piloting activities in Physical Education and Design & Technology.

Secondary Leadership Programme and Residential

The programme consists of a network of schools committed to promoting whole-school subject-focused leadership. The aim of the programme is to ask schools to focus on the whole-school approaches to leadership, staffing and the curriculum that helps to develop the quality, rigour and challenge experienced by pupils of all abilities and backgrounds. Each school undertakes an action-based research project for the benefit of the network, developing a base of evidence that is of benefit to all participating schools, and meets once a year at School Leadership Programme Day to share their experiences with participating schools. Those who demonstrate progress in their project are awarded a PTI School Leadership Programme Mark for display at school, use on school stationery and on their website.

Induction is via a school's Headteacher attending the Secondary Leadership Residential. This is a two day conference for Headteachers and MAT system leaders that provides a forum for reflection on issues about school leadership. During the residential, they choose whether they wish to opt into the School Leadership Programme.

Primary Leadership Programme, Residential and Primary Hubs

The PTI runs a programme for Primary Headteachers that is parallel to the secondary programme described above. Following attendance at the Primary Leadership Residential, a Primary Headteacher can choose to join the School Leadership Programme by devising an action based research project or by creating a PTI Primary Hub in their area. That Head becomes the Hub Lead, and brings together the other primary schools they wish to have included in the hub, and works with the PTI to agree the subjects and topics for the days, and oversee their delivery. The PTI arranges the speakers and logistics and ensures quality control. In addition, the PTI organises national virtual Primary Hub events that teachers from all schools in PTI Primary Hubs can attend.

The concept of the Primary Hub is to provide bespoke subject-based professional development to state primary teachers by working with the headteachers of a group of schools to determine their most urgent needs. The Hubs provide primary

teachers with much needed contact with subject experts. They also facilitate collaboration and the creation and pooling of teaching resources.

Primary Heads participating in the Primary Leadership Programme and Primary Hubs meet once a year at School Leadership Programme Day to review progress and receive the PTI Primary Hub Mark to recognise their staff's participation in the professional development.

The Subject Leadership Programme and Subject Enrichment Residential

A membership scheme for school departments that are committed to challenging and extending all pupils, regardless of ability, with rich subject provision. The Heads of Department who choose to opt in become PTI Members, and all staff in Subject Leadership Programme departments become Affiliate Members. They can then draw on the expertise of the Education Advisor and have access to the private Staffroom area of the website (www.ptieducation.org) which holds a library of thousands of resources for teachers including academic lecture podcasts, lesson plans, and schemes of work for use on a daily basis in the classroom.

Those departments which make their departmental plans more ambitious than originally planned, and deliver on their increased objectives, are awarded a PTI Mark for display at school, use on school stationery and on their website at the end of their first year of membership. Every year departments displaying the most progress are nominated for the Bernice McCabe Award. After discussion by a panel of distinguished judges, visits are undertaken to the top three departments, and the Award given to the winner.

Induction onto the Programme is via a Head of Department, or delegated representative, attending a Subject Enrichment Residential. The residentials are three-day residential events where top academics join teachers to re-inspire them and provide a stimulating introduction to the Subject Leadership Programme. During the Subject Enrichment Residential, delegates can choose whether they wish their departments to opt into the Subject Leadership Programme.

Continuing Professional Development ("CPD")

CPD consists of:

- **One-day Subject Days**, run by teachers, with administrative help from the PTI office, which bring delegates into contact with experts in a given topic and give them a forum to consider inspiring ways to bring the topic to life in their classrooms.
- **Online Courses** typically held after school hours, led by teachers. For some courses, delegates are required to have listened to a pre-recorded lecture prior to the seminars, and the online seminars are used to discuss teaching approaches to the topics in hand. Other courses have a "live" lecture from an eminent speaker followed by questions and answers.

In addition, the PTI works with schools to provide bespoke subject-based courses and runs an annual lecture with an eminent speaker for teachers and their students.

New Teacher Subject Days

These courses of four Saturdays during the year are designed for school-based teacher trainees, and Early Career Teachers. Each Saturday considers a different topic in their subject and consists of a mixture of lectures and workshops run by PTI Teacher Leaders. During the course participants are required to develop a Learning Resource that will be of use not just for them but also for other members of their departments at school.

These courses were run once again face to face in London and Manchester, following 2020-21 during which they were held online only due to restrictions caused by the Covid-19 pandemic.

Subject Leadership Certificate

Aimed at aspiring subject leaders, the Subject Leadership Certificate offers personal accreditation for aspiring middle and senior school leaders. It has been designed to enhance subject knowledge and support teachers in curriculum development and in leading a department.

Lasting four terms, Level 1 participants are required to design and deliver two new and more challenging Schemes of Work (a group of lessons for a given topic) and improve pupil experience. They use resources from the extensive PTI Staffroom bank, and are supported by experienced teachers from the PTI network, who provide online tutorial support. Following assessment of the Schemes of Work, successful participants are awarded the PTI Subject Leadership Certificate (Level 1).

Following a year of piloting a Level 2 Subject Leadership Certificate, it was introduced in English, Science and Modern Foreign Languages. Aimed at senior school leadership responsible for curriculum design, participants are required to enhance their subject curriculum focusing on a transition across phases (e.g. Key Stages 4 to 5) and to consider cross-curricular links in one phase. As with Level 1, participants are supported with online tutorials and those who are successful are awarded the PTI Subject Leadership Certificate (Level 2).

Public benefit

The PTI is committed to improving the education of children in state schools in England and Wales.

The Trustees considered the Charity Commission's guidance on Public Benefit, including the guidance "public benefit: running a charity (PB2)", when reviewing the charity's aims and objectives, in administering its activities during the year and in planning its future activities. They believe that the charity's activities demonstrate the benefit derived by the nation's children.

The PTI's activities are open to all teachers. For teachers from state schools, modest charges are made for Programmes affiliation and for PTI events which do not cover the costs of providing the services. These charges defray immediate costs and help incentivise teachers to not withdraw from the courses at short notice. A significant number of courses are now conducted online and after school, further facilitating access for teachers.

Achievements in 2021/22

Context and priorities for the year

For the year under review, schools suffered one of the most challenging years in the PTI's existence. After the disruption and lockdowns of 20/21, they had to deal not only with social and academic deficits due to the pandemic, but also do so with depleted numbers of staff and students due to high levels of Covid-related absences. They were therefore limited in their ability to get back to normal, with extra-curricular activities being heavily hit. Also affected has been schools' capacity to engage in professional development and commit to challenge in their work.

Like schools themselves, the PTI's strategic priority for the year was, as much as possible, to "get back to normal" by re-introducing face to face events, which are in most cases more effective than online delivery. With this in mind, the charity ran:

- two Subject Enrichment Residentials for Heads of Department in 8 subjects
- a Primary and Secondary joint Leadership Residential for Headteachers
- face to face New Teacher Subject Days courses in London and Manchester
- 20 events in 5 Primary Hubs in centres across the country.

In addition to this, the PTI has continued to keep an enhanced offer of over 40 online courses delivered over the year, as well as keeping the Subject Leadership Certificate delivered 100% online. We are pleased that the quality of our courses did not suffer due to these disruptions, and the evaluations from the over 1,100 teachers who attended in person were as strong as we have ever witnessed.

THE PROFESSIONAL TEACHING INSTITUTE

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Compared to 2018/19, the last full year unaffected by Covid-19, we had an increase in the number of teachers attending our events, up from 1,542 to 2,082, driven by the introduction of the Subject Leadership Certificate and the increase in engagement with Primary schools. The number of schools engaging in our activities during the year was 415.

Subject Enrichment Residentials and Subject Leadership Programme

After having had to postpone our Subject Enrichment Residentials both in 2019/20 and 2020/21, our priority for the year was to re-introduce them, as well as other face to face events, in order to provide teachers with much needed high quality professional development away from school. We ran two residentials during the year, rather than one, covering all our subjects:

- November 2021: Crewe Hall: Heads of Department in Maths, Science, History and Modern Languages
- July 2022: Downing College Cambridge for Heads of Department in English, Geography, Art and Music

We were fortunate to run these at moments during which Covid was not at its peak, allowing us to field full teams of Teacher Leaders to run the full programme. Their evaluations were even stronger than the already impressive results that we achieved pre-pandemic:

- 98% attending felt that what they had learnt would make them a better teacher
- 99% came out of the experience reinvigorated and more excited about teaching and the teaching profession
- 97% believed that it would have an impact on their pupils

With the disruptions due to Covid-19 and the lack of Residentials for 18 months feeding new members into the Subject Leadership Programme, the number of member departments in our Subject Leadership Programme has dropped to 485 departments in the previous year. We also found many departments did not feel able to undertake aspirational and challenging work given the challenges of Covid, and therefore deferred their participation in the programme. However, we hope that Covid will not be as disruptive next year and with our running two residentials again in 22/23, we expect the number to grow going forward.

Those who remained in the programme reported a greater than ever impact, with 48% strongly agreeing that the Programme has provided their students with a richer subject experience, and 89% saying that students in their schools have a wider experience of their subject as a result of the Programme. All concerned were delighted to have the opportunity to meet in person again, and comments were extremely positive, for example:

"The subject specific input that we receive through the PTI is very unique and is really not provided through any other source. This emphasis has greatly benefitted the teachers of the department as they have developed their own subject knowledge and seen this filter down to the pupils."

The Bernice McCabe Award

In memory of the PTI's founding Co-Director and former Headmistress of North London Collegiate School, Bernice McCabe, we instigated the Bernice McCabe Award in 2020. This award, worth £5,000 to the winning department, celebrates the work of the best department in our Subject Leadership Programme. Due to Covid-19, until the year under review we have been unable to hand the award to the winning departments in person, but this year we ran two award dinners, allowing the second and third prize-winners to have their work celebrated by MAT Chief Executives and other important education stakeholders. The Bernice McCabe Award winners to date have been:

- 2020: Claire Brown, Music: Mounts Bay Academy, Penzance
- 2021: Jack Cockayne, Geography: Broadway Academy, Birmingham
- 2022: Richard Jagger, Mathematics: Leeds West Academy

School Leadership Residential and Programme

After having run a virtual School Leadership Conference in 2021, we returned to a face to face residential at Fanham's Hall in January 2022. For the first time, Primary and Secondary streams were run concurrently, and Headteachers were pleased to have the opportunity to discuss issues of curriculum across primary and secondary phases. The evaluations were the strongest we have ever had.

- 96% found (82% strongly) the residential a valuable experience

- 100% felt (68% strongly) that attending would have an impact on their school

In addition to the Residential, we ran a Schools Leadership Programme Day for Headteachers and senior school staff who had attended a Leadership Residential in prior years. This was held face to face at the Mercers Hall in London, and again, members were extremely pleased to have the opportunity to meet in person, with comments including:

"It gives me time to reflect on my impact as a leader. It focuses on me as a leader and not a manager. I feel inspired, which is hopefully then conveyed to colleagues."

"What are there not more organisations like this? Valuing teaching and getting to the heart of what we all came into the profession for"

New Teacher Subject Days courses

After a year of entirely online New Teacher Subject Days, we were pleased to re-start these activities face to face in our centres in London and Manchester. As prior to the pandemic, four Saturdays were held, who gained much from the course. 96% said that attending the course had made them a better teacher, 93% that they would be more effective at promoting deep learning and 93% that it would have an impact on their pupils.

Typical quotes from delegates were:

"The engaging nature of the speakers was very enjoyable. Much better than over Zoom (although this is understandable given the COVID situation)."

"Jack and Ife were exceptional offering a range of strategies and updates facts that can extend student learning. Fantastic reading list provided to inspire Geography students to pursue a career in Geography and drive their passion for the subject."

Subject Leadership Certificate

In 2019/20 the charity created a Level 1 personal accreditation for classroom teachers wishing to become subject leaders which has continued to be well received. In addition, the PTI launched a Level 2 accreditation for aspiring Curriculum Deputy Heads, focusing on the construction of a challenging and coherent curriculum. During the pandemic the course was reshaped to be delivered 100% online, and it has been so successful that we have not returned to the face-to-face assessment format originally planned. Evaluations were once again extremely strong, with 91% saying that their pupils have been introduced to more challenging material as a result and 86% of participants confirming that completing the course has challenged them to raise the aspirations of colleagues in their departments.

Primary Hubs

Piloted in 2019, the PTI's Primary Hubs have grown despite Covid-19. Responding to calls from primary Headteachers who wanted their staff to access PTI training, we developed the concept of a Primary Hub, where one teacher in an existing group of collaborating primary schools attends the PTI Primary Residential, and then the PTI goes to the schools to deliver four bespoke CPD days in topics of their choosing. We were able to run all the days face to face, despite the need to re-schedule nearly 50% of them due to Covid outbreaks during the year. 97% of teachers attended said that they had become a better teacher as a result and 99% said that the hubs would have an impact on their pupils.

Online courses

We ran 43 online courses after school on specific topics in all our subject areas. In response to the need for some schools to accommodate the children of Ukrainian refugees, we ran an online session entitled "Supporting children with little or no English" in April. Queen Elizabeth Academy Peterborough is a PTI Unlimited school, and won a Pearson Teaching Award in December for the quality and extent of its English as an Additional Language work. They led the online session for colleagues across the country with less experience than themselves in teaching children with little or no English.

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FOR THE YEAR ENDED 30 SEPTEMBER 2022

Pro Bono Economics report and official opening of 'The Hintze Rooms'

Government data released in December 2022 confirmed that the teaching profession has struggled to recruit new teachers, reaching only 59% of target in the secondary phase for the 22/23 academic year. The work we commissioned from Pro Bono Economics was therefore timely. Let alone avoiding problems with recruitment, they confirmed that the government would almost certainly save money too if it invested in 35 hours a year of professional development for every teacher in the country due to the resulting added retention. This chimes with our experience, where every year since 2018 over 80% of Heads of Department who have thought of leaving the profession are less inclined to do so as a result of attending our courses.

We reported last year on our securing new premises at 14-15 Lower Grosvenor Place, and gratefully receiving a donation from Sir Michael Hintze to fit out the lower ground floor as an event space. We completed the office fit-out in September 2020, and opened the Hintze Rooms officially in January 2021, with an event marking the publication of the Pro Bono Economics report. When we are not using the space, we rent it out to third parties, and although demand was muted until Easter because of Covid, we have seen third party bookings for the room grow since then.

Fundraising

We are registered with the Fundraising Regulator and commit to our fundraising being legal, transparent, respectful and meeting the standards set in the Fundraising Code of Practice. We also ensure that nobody who appears to be vulnerable is asked to commit to giving.

Fundraising is carried out by the Senior Philanthropy and Partnerships Manager, assisted by the Development Co-Ordinator. Emma Claridge was succeeded by Stephen Wright as Senior Philanthropy and Partnerships Manager, and the charity reviewed the existing Development Committee, who report to the Board and who introduce potential donors to the work of the charity. It was agreed to divide the group into two, a core Development Leadership Group of 12 senior individuals, chaired by Keith Breslauer and including Trustee Fraser Greenshields, who would meet a minimum of four times a year, and a second group, the Development Steering Committee, consisting of a further 8 senior individuals who would meet twice a year.

Subsequent to the pandemic outbreak, the charity has witnessed steadfast support from its Patrons and donors, with only two Patrons not renewing their support for the charity. With restrictions on meeting face to face lifting during the year under review, we have re-introduced fundraising events and going forward we are optimistic about attracting new sources of voluntary income and growing our donor base.

The charity is committed to continued impact. While the PTI has a complaints policy published on our website, in the year under review we received no complaints.

Financial commentary

Income, expenditure and movements in funds

Total income for the year was £1,370k (2020/21: £3,010k, 2019/20 £1,211k) and total expenditure was £1,523k (2020/21: £1,023k, 2019/20 £1,293k), and after gains on foreign exchange and investments, total funds decreased from £4,596k to £4,315k.

Excluding movements in endowment funds, total income during the period under review was £1,370k (2020/21: £959k) and total expenditure £1,523k (2020/21: £979k).

No further donations to the Teacher Training Fund were expected or received during the year under review. The fund is an expendable endowment fund that is both capital and income, and the maximum drawdown per annum is 4% of the value of the fund on 31st December of the financial year in question. On 31st December 2021, the fund was valued at £4,016,277, making £160,651 available to be drawn down. The Trustees chose to draw down £155k from the Fund, which together with income, management charges and losses on investments due to the overall market down-turn, resulted in endowment funds decreasing 8% to £3,458k (2020/21: £3,740k).

Following this drawdown, the charity posted a surplus on unrestricted funds of £2k for the year under review (2020/21: surplus of £5k).

Voluntary income increased 47% to £919k (2020/21: £625k). £191k of this increase were funds that were received in 2018/19 and 2019/20 which were tied to the delivery of face to face events that could not be delivered due to Covid-19, and which the donors kindly agreed to rolling over. We are very grateful to our donors, who have continued their support of our work despite the disruptions and challenges caused by Covid-19.

Income from charitable activities rose 23% to £408k (2020/21: £332k), driven by receipts from the reintroduction of the Leadership and Subject Enrichment Residentials. Affiliation fees from schools rose 13% to £283k (2020/21: £251k). Other trading activities (2020/2021: £nil) comprised of £25k of sponsorship from Siemens for the 2021 Science Enrichment residential postponed from 2020, and £14.6k of income from the hire to third parties of The Hintze Rooms.

With the resumption of face to face activities following a year of entirely online delivery, overall expenditure increased by 56% to £1,523k (2020/21: £979k). Direct costs of charitable activities rose 174% to £492k (2020/21: £180k). £193k of the £312k increase was due to the resumption of three residentials (the Leadership Residential and two Subject Enrichment Residentials) with their venue costs as well as the travel and expenses of contributing speakers and teacher consultants. The remaining increases were due to the venue, travel and expenses costs associated with face to face delivery of our other events – Subject Leadership Programme, Primary Hubs, One day CPD and New Teacher Subject Days in London and Manchester.

Support costs of charitable activities, including general office and governance costs, increased 25% to £848k (2020/21: £681k). £88k of the £168k increase was in General Office costs. £63k of this £88k was increased rent and shared utilities, due higher rent in the new PTI office and a reduced rent total in 2020/21, when the charity paid no rent during the pandemic lockdown for 5 months. In addition, the charity incurred £53k of one-off General Office costs associated with the recruitment of a new full-time Co-Director and three other staff. £15k of depreciation charge on the fit-out of the new office and Hintze Rooms is also included in the General Office costs for the year under review, which is offset by £15k of The Hintze Rooms deferred income. Wages and salaries increased by 13% from £474k to £536k due to pay increases and the increase from 12.2 to 13.4 FTEs to manage the increase in activities compared to the prior year. The 17% increase in Consultancy Costs was due to temporary cover for the Senior Events Manager's extended maternity leave. Governance costs increased 27%, driven by a 27% increase in audit fees.

Expenditure on raising funds (excluding investment management fees) increased by £64k to £183k (2020/21: £119k) due to the costs of face to face fundraising events including a Clay Shoot and our holding a dinner at St James's Palace to thank Patrons, events which the charity was unable to run the prior year.

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At the year-end the Net Assets of the charity totalled £4,315k (2020/21: £4,596k). Unrestricted reserves increased from £856k to £858k.

The Trustees consider that the financial results represent a satisfactory out-turn.

Reserves and Investment Policies

The PTI's minimum reserve and liquidity policies are to have three months' normal operating expenditure as cash in hand accessible immediately (This is currently approximately £315k).

However, the Trustees recommend having at the beginning of the financial year accounting reserves at a sufficient level to provide School and Subject Leadership Programme services for 12 months to schools affiliated to our programmes. This is approximately £750k, and with unrestricted reserves totalling £858k at the year end, this objective has been comfortably met. The Trustees consider it prudent to be in this position, in the light of continuing pressure on school budgets for continuing professional development and the challenging fundraising environment. In addition, this level of reserves would cover liabilities in the event of the charity ceasing trading.

For the year under review, taking into account the discrepancy between inflation and deposit interest rates, the Trustees formally adopted an investment policy in June 2022 that placed £216k of the charity's unrestricted funds under discretionary investment management alongside its endowment funds, and kept the remaining funds on deposit, diversified across four A-rated deposit takers and one other.

With the Teacher Training Fund at £3.5m at the year end, and with a maximum of 4% of its 31 December value to be drawn down per annum, the majority of the fund is for use in the medium and long term. At year end, £5k of the fund was held as cash on deposit, with the remaining £3,453k invested by CCLA on a discretionary basis in the COIF Charities Ethical Investment Fund. This fund complies with the charity's ethical investment policy.

Funders and contributors

The Trustees record their thanks to all the PTI's donors and supporters - both large and small - for their continuing support during a challenging year, and the staff and volunteers who have worked extremely hard to achieve another successful year for the charity in particularly challenging circumstances.

Future plans

In 2022/23, the charity's priority remains the re-introduction of face-to-face events whilst maintaining a significant online presence. It will run two Subject Enrichment Residentials, one in November at Crewe Hall and another in July at Downing College, Cambridge. The charity will also re-open its base in Birmingham for New Teacher Subject Days, returning to the three bases of London, Manchester and Birmingham that existed prior to the pandemic. It will re-introduce face to face one day CPD events gradually over the next two years, using the new Hintze Rooms as the principal base, hoping to return to the level that these were run prior to the pandemic in 2023/24.

In addition, following two years of piloting Design & Technology, it will introduce this subject as a full member of the PTI subject suite by running its first Design and Technology Subject Enrichment residential in November 2022 at Crewe Hall. This will enable the creation of a Subject Leadership Programme in Design & Technology. It is envisaged that in future years Design & Technology Subject Leadership Certificates will be introduced. One day and online events in Physical Education will continue in 2022/23, with the intention to introduce Physical Education as a full PTI subject in 2023/24.

The PTI Primary Hubs continue to enjoy significant buy-in, and the charity will continue to grow this nationwide network.

The Subject Leadership Certificate Level 2 continues to be rolled out. Only available in Science, Modern Languages and English in 2022/23, it is planned that the full range of PTI subjects be available at Level 2 from 2023/24.

Subsequent to the year under review, full time Co-Director Christopher Pope retired after leading the charity since its inception in 2006/07. He will be succeeded by Dr Hugh Rayment-Pickard MBE from January 2023.

Structure, Governance and Management

Governing document and membership

The PTI is a registered company limited by guarantee not having a share capital. Its governing document is the company's Memorandum & Articles of Association. The company was incorporated on 18 August 2006 and effectively commenced trading on 1 January 2007. For the time being the members of the company are the Trustees, all of whom have signed a statement pledging to contribute £1 to the funds of the company in the event of it being wound up and there being an insufficiency of funds.

Recruitment, appointment and induction of Trustees

The Trustees of the charity are also directors of the company for the purposes of company law. The number of Trustees may not be less than three or more than ten.

All the Trustees are Elected Trustees and are appointed by either the members of the company in a general meeting or by the Trustees themselves.

As and when required, additional Trustees are appointed after a review of the skills and experience represented on the Trustee body.

Chair

The governing document provides for the Trustees to appoint a Chairman from among their number. K'thiel (Keith) Breslauer was appointed unanimously as Chairman by his fellow Trustees.

Membership of the Trustee body

The current Trustees are listed on page 2 of this Report and have served for the year under review except where indicated.

Organisational structure and decision-making process

Royal Founding Patron

The Trustees record with gratitude the continuing support of HM The King and his staff.

Trustees

The Trustee body administers The PTI. It met four times during the period under review. With the exceptions listed in Note 12, at no time during the year did any Trustee have a beneficial interest in transactions with the charity.

The Trustees have the following standing committees:

- the Executive Committee whose purpose is to monitor the on-going business of the charity
- the Academic Steering Group (the "ASG") whose purpose is to direct the PTI's academic strategy
- the Development Committee, whose purpose is to assist the charity with fundraising
- the Remuneration Committee whose purpose is to monitor staff salaries and consultants' fees

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TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Organisation

For the year under review the charity had two Co-directors: Christopher Pope manages day-to-day operations of the PTI and Carolyn Roberts, Headteacher of Thomas Tallis School, leads academic policy. They were assisted by nine full-time employees and three part-time employees. Academic activities are led by a group of practising teachers acting as consultants.

Julia Bagguley acted as Company Secretary on a part time and voluntary basis until 30th September 2021, which the Trustees note and for which they record their thanks. From 30th September, the role has been taken on by Claire Clark.

Key Management Personnel

Key management personnel consist of the:

- Full-time Co-Director
- Chief Operating Officer
- Senior Philanthropy and Partnerships Manager
- Senior Events Manager
- Senior Programmes Manager

In line with all PTI staff, their remuneration is reviewed twice a year by the Remuneration Committee.

Internal Controls

The Trustees are responsible for the management of the risks faced by the charity with particular reference to internal controls and the mitigation of risk. The Trustees actively review the risks faced by the charity on a regular basis and have put in place systems and procedures to identify and mitigate the major risks so far as is possible.

The key controls used include:

- Formal agendas and minutes for meetings of the Trustees and the Board committees
- A statement of matters reserved to the Trustees
- A formal Risk Register, reviewed on a regular basis
- Established organisational and governance structure and reporting lines

The Trustees recognise that systems can only provide reasonable, and not absolute, assurance that major risks are being adequately managed.

Risk and Mitigation

At each meeting, the Trustees review the risks to which the charity is exposed and they have put in place systems which minimise the exposure to these risks and mitigate the potential loss that might arise from them. Additionally, a formal Risk Register is in place, which is reviewed annually.

Currently, the Trustees have identified the following three most significant risks to the charity:

- **Lack of teacher time and availability to lead PTI events.** Teachers' workloads have increased due to school financial pressures and teacher recruitment challenges. Furthermore, schools with shortages of staff are often reluctant to release staff during the working day for professional development. These pressures impact the PTI, both in terms of securing Teacher Leaders to run PTI events, but also to attend.
- **Poor event attendance and last minute cancellations** The combination of teacher illness, lack of time and difficulties being released from school mentioned above result in lower bookings and last minute cancellations. Whilst last minute cancellations and no-shows at online events carry no cost, at face to face events these are costly for the charity, especially for residential, and reduce teachers reached.
- **Fundraising uncertainty.** Whilst the PTI's donors have stayed steadfast to date, the economic uncertainties make predicting future fundraising challenging.

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of The Professional Teaching Institute for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable Company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable Company and group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

- There is no relevant audit information of which the charitable Company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

The charity's auditors, Haysmacintyre LLP, have expressed a willingness to continue in office and a resolution proposing their reappointment will be put to the members in accordance with the Companies Act 2006.

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities SORP 2015 (FRS 102) (Second Edition, effective 1 January 2019) and in accordance with the special provisions of the Companies Act 2006 relating to small entities.

By order of the Board of Trustees



K'thiel (Keith) Breslauer
Chairman

Date: 26 January 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PROFESSIONAL TEACHING INSTITUTE

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Opinion

We have audited the financial statements of The Professional Teaching Institute for the year ended 30 September 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 September 2022 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PROFESSIONAL TEACHING INSTITUTE

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

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

- adequate accounting records have not been kept by the parent charitable company; or
- the parent charitable company 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' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 14, 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's and the 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 the 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

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

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the regulatory requirements of the Charity Commission, employment law, data protection regulations, and fundraising regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011, payroll taxes, and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in certain accounting estimates and judgements such as the recognition of income at the year-end. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PROFESSIONAL TEACHING INSTITUTE

FOR THE YEAR ENDED 30 SEPTEMBER 2022

- Identifying and testing journals, in particular journal entries posted around the year-end;
- Challenging assumptions and judgements made by management in their critical accounting estimates; and
- Reviewing trustees' minutes during the year.

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

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Lee Stokes (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

Date: 26 January 2023

THE PROFESSIONAL TEACHING INSTITUTE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Note	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Endowment Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Income and endowments from:						
Grants and donations		645,878	272,905	-	918,783	2,624,756
Charitable activities:						
Secondary Affiliation Fees		283,278	-	-	283,278	251,270
Primary Programmes		38,050	-	-	38,050	7,150
Secondary Leadership Residential and Programme		4,095	-	-	4,095	-
New Teacher Subject Days		21,361	-	-	21,361	35,858
Summer Schools		23,833	-	-	23,833	-
Other Continuing Professional Development		37,107	-	-	37,107	37,800
Other trading activities		39,600	-	-	39,600	-
Investments		3,883	-	-	3,883	53,584
Total Income		<u>1,097,085</u>	<u>272,905</u>	<u>-</u>	<u>1,369,990</u>	<u>3,010,418</u>
Expenditure on:						
Raising funds	3	<u>182,711</u>	<u>-</u>	<u>-</u>	<u>182,711</u>	<u>162,961</u>
Charitable activities:	2					
Subject Leadership Programme		114,432	108,367	-	222,799	172,224
Subject Enrichment Residentials		228,824	70,000	-	298,824	28,872
Primary Programmes		155,114	38,405	-	193,519	151,147
Secondary Leadership Residential and Programme		137,482	-	-	137,482	93,548
New Teacher Subject Days		179,153	33,300	-	212,453	147,075
Continuing Professional Development		213,668	22,833	-	236,501	219,124
Website and CRM		38,837	-	-	38,837	48,299
Total Cost of Charitable Activities		<u>1,067,510</u>	<u>272,905</u>	<u>-</u>	<u>1,340,415</u>	<u>860,289</u>
Total Expenditure		<u>1,250,221</u>	<u>272,905</u>	<u>-</u>	<u>1,523,126</u>	<u>1,023,250</u>
Net income / (expenditure) before other recognised gains / (losses) and transfers		(153,136)	-	-	(153,136)	1,987,168
Net gain / (loss) on investments	7	-	-	(127,470)	(127,470)	201,016
Transfer between funds	11	155,000	-	(155,000)	-	-
Net income / (expenditure) for the year		<u>1,864</u>	<u>-</u>	<u>(282,470)</u>	<u>(280,606)</u>	<u>2,188,184</u>
Total funds at 1 October 2021		<u>855,649</u>	<u>-</u>	<u>3,740,146</u>	<u>4,595,795</u>	<u>2,407,611</u>
Total funds at 30 September 2022		<u>857,513</u>	<u>-</u>	<u>3,457,676</u>	<u>4,315,189</u>	<u>4,595,795</u>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities. Details of comparative figures by fund are included in note 15.
The notes to the financial statements form part of these accounts.


CONSOLIDATED BALANCE SHEET

AT 30 SEPTEMBER 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible fixed assets	6		58,025		73,079
Investments	7		3,253,670		3,381,139
			<u>3,311,695</u>		<u>3,454,218</u>
Current assets					
Debtors	8	192,547		190,623	
Cash at bank and in hand		1,243,535		1,621,375	
		<u>1,436,082</u>		<u>1,811,998</u>	
Creditors					
Amounts falling due within one year	9	(404,210)		(631,774)	
Net current assets			1,031,872		1,180,224
Creditors					
Amounts falling due after one year	10		(28,378)		(38,647)
Net assets			<u>4,315,189</u>		<u>4,595,795</u>
Funds					
Restricted funds	11		-		-
Endowment funds	11		3,457,676		3,740,146
Unrestricted funds	11		857,513		855,649
			<u>4,315,189</u>		<u>4,595,795</u>

These accounts have been prepared in line with the provisions applicable to the small companies regime.

Approved by the Board of Trustees and authorised for issue on 26 January 2023



K'thiel (Keith) Breslauer
Chairman

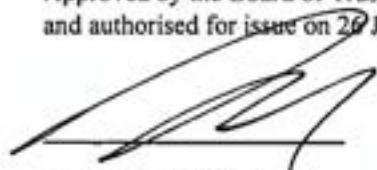
CHARITY BALANCE SHEET

AT 30 SEPTEMBER 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible fixed assets	6		58,025		73,079
Investments	7		3,253,671		3,381,140
			<u>3,311,696</u>		<u>3,454,219</u>
Current assets					
Debtors	8	256,799		154,767	
Cash at bank and in hand		902,168		1,392,168	
		<u>1,158,967</u>		<u>1,546,935</u>	
Creditors					
Amounts falling due within one year	9	(127,096)		(366,712)	
Net current assets			<u>1,031,871</u>		<u>1,180,223</u>
Amounts falling due after one year	10		(28,378)		(38,647)
Net assets			<u>4,315,189</u>		<u>4,595,795</u>
Funds					
Restricted funds	11		-		-
Endowment funds	11		3,457,676		3,740,146
Unrestricted funds	11		857,513		855,649
			<u>4,315,189</u>		<u>4,595,795</u>

These accounts have been prepared in line with the provisions applicable to the small companies regime.

Approved by the Board of Trustees
and authorised for issue on 20 January 2023



K'thiel (Keith) Breslauer
Chairman

THE PROFESSIONAL TEACHING INSTITUTE
CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Note	2022 £	2021 £
Cash flow from operating activities			
Net cash (used in)/provided by operating activities	(i)	(381,723)	2,161,457
Cash flow from investing activities			
Investment income		3,883	53,584
Purchase of tangible fixed assets		-	(75,268)
Acquisition of fixed asset investments through investment manager		(3,381,140)	(5,285,667)
Proceeds from disposal of fixed asset investments through investment manager		3,346,241	3,387,715
Net cash provided by/(used in) investing activities		(31,016)	(1,919,636)
Change in cash and cash equivalents		(412,739)	241,821
Cash and cash equivalents at the start of the year		1,656,274	1,414,453
Cash and cash equivalents at the end of the year		1,243,535	1,656,274
(i) Reconciliation of net income to net cash flow from operating activities			
		2022 £	2021 £
Net income/(expenditure)		(280,606)	2,188,184
Adjustments for:			
Depreciation charge		15,054	2,189
Dividend income		-	(51,065)
Interest received		(3,883)	(2,519)
(Gain)/Loss on investments		127,470	(201,016)
Increase in debtors		(1,924)	(71,872)
(Decrease)/Increase in creditors		(237,834)	297,556
Net cash (used in)/provided by operating activities		(381,723)	2,161,457

THE PROFESSIONAL TEACHING INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1. Accounting policies

The charity is a company limited by guarantee, that was incorporated in England and Wales. Its registered office is 14-15 Lower Grosvenor Place, London, England, SW1W 0EX. The registered company number is 05910443, and the registered charity number is 1116224.

The principal accounting policies, which have been applied consistently throughout the year, are as follows:

a) Basis of preparation of the financial statements

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of investments being measured at fair value through income and expenditure within the Consolidated Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit company for the purposes of FRS 102 and therefore the charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP 2015, second edition effective 1 January 2019), the Companies Act 2006 and the Charities Act 2011.

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the Trustees have considered the charitable company's forecasts and projections have taken account of pressures on income. After making enquiries the Trustees have concluded that there are no material uncertainties and there is a reasonable expectation that the charitable company has adequate resources to continue to operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

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

b) Basis of consolidation

The consolidated (group) financial statements comprise the charity and its wholly owned subsidiary PTI Education Limited.

The results of the trading subsidiary company are presented in the Consolidated Statement of Financial Activities by disclosing the income and expenditure derived from its non-charitable trading activities separately from those of the charity. A summary profit and loss account for the trading subsidiary is included in note 7. The charity has not prepared its own statement of financial activities, as permitted under the Companies Act 2006.

The subsidiary company's assets and liabilities are consolidated in the Balance Sheet on a line-by-line basis.

c) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

The endowment fund represents donations that are to be used as an expendable endowment for teacher professional development that is both capital and income and can be drawn down, to a maximum level of £100,000 per annum.

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

THE PROFESSIONAL TEACHING INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

d) Income

All income is included in the statement of financial activities when the charity has entitlement to the funds, receipt is probable, and the amount can be measured with sufficient reliability.

Where the donor has specified that the donations or grants relate to future periods or that certain preconditions must be fulfilled before use, amounts received are recognised in the relevant period or when preconditions have been met.

Income tax recoverable in relation to donations received under Gift Aid or Deeds of Covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

e) Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Costs of raising funds comprise the expenditure on fundraising activities, including investment management fees, as well as an apportionment of relevant staff costs, whereas cost of charitable activities include all directly attributable costs with regards to the schools programme, summer school, continuing professional development courses and the development of the website, as well as an apportionment of other costs as detailed below.

Support costs are those costs incurred in support of expenditure on the objects of the charity and include project management and administration costs.

Overheads and other support costs not directly attributable to a particular activity are apportioned over the relevant activities on the basis of management estimates of the amount attributable to that activity in the year, either by reference to staff time spent or ratio of the number of days of each type of activity, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

Governance costs comprise the expenditure on governance of the charity including audit fees, legal advice for Trustees, costs of Trustee meetings and an apportionment of relevant staff costs to reflect time spent on governance-related matters. In accordance with FRS 102, these are now included within support costs above.

f) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets less their estimated residual value, over their expected useful lives on the following basis:

Office fittings and equipment	20% on cost
Website and computer equipment	33% on cost

g) Investments

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

h) Pensions

The charitable company does not operate a pension scheme but contributes to employees' personal pension arrangements. Contributions are charged to the Consolidated Statement of Financial Activities on an accruals basis.

i) Operating leases

All payments under operating leases are charged to the statement of financial activities in the year in which they fall due.

THE PROFESSIONAL TEACHING INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

j) Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial instruments are recognised at transaction value and subsequently adjusted for impairment with the exception of investment which are initially measured at transaction price and subsequently at fair value.

k) Critical accounting estimates and areas of judgement

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

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

The most significant estimates and assumptions which affect the carrying amount of assets and liabilities in the accounts relate to:

The annual depreciation charge for fixed assets is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

l) Cash and cash equivalents

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

THE PROFESSIONAL TEACHING INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. Cost of Charitable Activities

2022	Subject Leadership Programme	Subject Enrichment Residentials	Primary Programmes	Secondary Leadership Residential And Programme	New Teacher Subject Days	Other Continuing Professional Development	Website And CRM	Total Funds 2022
	£	£	£	£	£	£	£	£
Activities direct costs	92,737	170,931	25,197	33,760	82,159	69,483	17,856	492,123
<i>Support costs</i>								
Wages and salaries	85,117	78,466	105,217	66,498	85,023	100,712	14,893	535,926
Consultancy	9,063	14,142	16,667	8,609	9,325	9,658	300	67,764
General office costs	29,887	29,390	38,679	23,834	29,940	48,949	4,821	205,500
Governance costs	5,995	5,895	7,759	4,781	6,006	7,699	967	39,102
	<u>130,062</u>	<u>127,893</u>	<u>168,322</u>	<u>103,722</u>	<u>130,294</u>	<u>167,018</u>	<u>20,981</u>	<u>848,292</u>
	<u>222,799</u>	<u>298,824</u>	<u>193,519</u>	<u>137,482</u>	<u>212,453</u>	<u>236,501</u>	<u>38,837</u>	<u>1,340,415</u>
2021	Subject Leadership Programme	Subject Enrichment Residentials	Primary Programmes	Secondary Leadership Residential And Programme	New Teacher Subject Days	Other Continuing Professional Development	Website And CRM	Total Funds 2021
	£	£	£	£	£	£	£	£
Activities direct costs	49,361	4,447	1,675	6,952	33,779	56,943	26,607	179,764
<i>Support costs</i>								
Wages and salaries	93,651	15,062	103,378	62,049	73,315	111,770	14,636	473,861
Consultancy	15,000	4,300	16,500	8,100	6,500	7,300	300	58,000
General office costs	8,067	4,033	24,201	13,109	28,234	35,293	5,035	117,972
Governance costs	6,145	1,030	5,393	3,338	5,247	7,818	1,721	30,692
	<u>122,863</u>	<u>24,425</u>	<u>149,472</u>	<u>86,596</u>	<u>113,296</u>	<u>162,181</u>	<u>21,692</u>	<u>680,525</u>
	<u>172,224</u>	<u>28,872</u>	<u>151,147</u>	<u>93,548</u>	<u>147,075</u>	<u>219,124</u>	<u>48,299</u>	<u>860,289</u>

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3. Cost of raising funds

	2022	2021
	£	£
Wages and salaries	93,849	91,611
General office costs	29,782	20,168
Direct fundraising and event-related costs	59,080	7,432
Investment management fees	-	43,750
	<u>182,711</u>	<u>162,961</u>

Direct fundraising expenditure increased due to the costs of face to face fundraising events which the charity was unable to run in the prior year.

Investment management fees have reduced to £nil as the charity has moved all of its investments to a pooled fund. Fees are charged to the fund and not to the charity directly.

4. Governance costs

	2022	2021
	£	£
Wages and salaries	19,056	15,280
General office costs	6,946	3,062
Auditor's remuneration - The Professional Teaching Institute (audit fees)	8,400	8,000
- PTI Education Limited (audit fees)	2,500	2,350
- The Professional Teaching Institute (non-audit fees)	1,100	1,000
- PTI Education Limited (non-audit fees)	1,100	1,000
	<u>39,102</u>	<u>30,692</u>

5. Staff costs

	2022	2021
	£	£
Wages and salaries	540,151	485,260
Social security costs	55,778	48,616
Contributions to personal pension schemes	52,902	46,875
	<u>648,831</u>	<u>580,751</u>

One employee received remuneration between £130,000 and £140,000 during the year (2021: one employee between £120,000 and £130,000) and one employee received remuneration between £70,000 and £80,000 during the year (2021: one). Pension contributions of £20,026 (2021: £19,074) were paid on behalf of these individuals.

The average number of people employed by the charity during the year were as follows:

	2022	2021
Charitable activities	13.1	12.0
Governance	0.3	0.2
	<u>13.4</u>	<u>12.2</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

5. Staff Costs (continued)

No Trustee received remuneration or was reimbursed expenses from the charity during the current or preceding year.

Key management Personnel:

Key management personnel comprise the Full-time Co-Director, Chief Operating Officer, Senior Philanthropy and Partnerships Manager, Senior Events Manager and the Senior Programmes Manager. The total employment costs (including employers' national insurance and pension contributions) for these individuals was £392,928 (2021: £396,601).

6. Tangible Fixed Assets – Charity and Consolidated

	Website and Computer Equipment £	Office Fittings and Equipment £	Total £
Cost			
As at 1 October 2021 and 30 September 2022	73,302	83,557	156,859
Depreciation			
At 1 October 2021	73,302	10,478	83,780
Charge during the year	-	15,054	15,054
At 30 September 2022	73,302	25,532	98,834
Net Book Value			
At 30 September 2022	-	58,025	58,025
At 30 September 2021	-	73,079	73,079

7. Fixed Asset Investments

	Listed 2022 £	Listed 2021 £
Consolidated		
Market value brought forward	3,346,241	1,247,273
Acquisitions at cost	3,381,140	5,285,667
Less disposal proceeds	(3,346,241)	(3,387,715)
Gains and losses on investments	(127,470)	201,016
Market Value Carried Forward	3,253,670	3,346,241
Cash held	-	29,668
Accrued interest	-	5,230
Total value	3,253,670	3,381,139
<i>Historic cost of listed investments</i>	3,381,140	2,488,197

THE PROFESSIONAL TEACHING INSTITUTE

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FOR THE YEAR ENDED 30 SEPTEMBER 2022

7. Fixed Asset Investments (continued)

Charity

The Institute owns PTI Education Limited, a company incorporated in the United Kingdom and registered in England, company number 10353080 and holds 100% of the £1 share capital.

The principal activity of the company is the provision of training and support services for secondary and primary school teachers. The company then "Gift Aids" its taxable profit to the Institute to provide resources to support the Institute's work.

The net profit of the company at 30 September 2022 is £158,806 (2021: £36,607) before the gift aid payment is made.

Its trading results, extracted from its audited accounts were as follows:

	2022 £	2021 £
Turnover	1,702,324	1,082,451
Cost of sales	(474,266)	(153,249)
Gross profit	1,228,058	929,202
Administrative expenses	(1,069,780)	(892,595)
Operating profit	158,278	36,607
Interest	528	-
Profit before taxation	158,806	36,607
Tax on profit	-	-
Profit for the financial period	158,806	36,607
Gift Aid Payment	(158,806)	(36,607)

A summary of its assets is shown below:

	2022 £	2021 £
Debtors	108,095	89,209
Cash at bank and in hand	341,367	229,207
Creditors falling due within one year	(449,461)	(318,415)
Net current assets	1	1

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8. Debtors

	Consolidated 2022 £	Consolidated 2021 £	Charity 2022 £	Charity 2021 £
Trade debtors	92,760	75,626	-	3,000
Prepayments	46,429	23,753	33,094	10,170
Accrued income	7,297	46,918	5,297	46,918
VAT recoverable	1,735	-	15,277	13,746
Intercompany debtor	-	-	158,805	36,607
Rent deposit	44,326	44,326	44,326	44,326
	<u>192,547</u>	<u>190,623</u>	<u>256,799</u>	<u>154,767</u>

9. Creditors: Amounts falling due within one year

	Consolidated 2022 £	Consolidated 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	52,454	48,098	42,664	33,263
Deferred income	273,053	493,240	35,919	273,475
Other creditors	3,600	3,600	-	-
VAT payable	-	4,268	-	-
Accruals	75,103	82,568	48,513	59,974
	<u>404,210</u>	<u>631,774</u>	<u>127,096</u>	<u>366,712</u>

	Consolidated 2022 £	Consolidated 2021 £	Charity 2022 £	Charity 2021 £
Deferred income at 1 October 2021	531,887	280,200	312,122	120,960
Deferred income – general	301,431	479,316	64,297	259,551
Deferred income - The Hintze Rooms	-	52,571	-	52,571
Amount released to restricted and unrestricted funds in the SOFA	(531,887)	(280,200)	(312,122)	(120,960)
Deferred income at 30 September 2022	<u>301,431</u>	<u>531,887</u>	<u>64,297</u>	<u>312,122</u>

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10. Creditors: Amounts falling due after one year

	Consolidated 2022 £	Consolidated 2021 £	Charity 2022 £	Charity 2021 £
Deferred income	28,378	38,647	28,378	38,647
	<u>28,378</u>	<u>38,647</u>	<u>28,378</u>	<u>38,647</u>

11. Movement in funds
Group

	At 1 October 2021 £	Income & Investment gains £	Expenditure & Investment Losses £	Transfers £	At 30 September 2022 £
Restricted Funds					
Subject Leadership Programme	-	108,367	(108,367)	-	-
Subject Enrichment Residentials	-	70,000	(70,000)	-	-
Primary Programmes	-	38,405	(38,405)	-	-
New Teacher Subject Days	-	33,300	(33,300)	-	-
Continuing Professional Development	-	22,833	(22,833)	-	-
<i>Total restricted funds</i>	-	272,905	(272,905)	-	-
Endowment Funds					
Teacher Training Fund	3,740,146	-	(127,470)	(155,000)	3,457,676
Unrestricted General Funds	855,649	1,097,085	(1,250,221)	155,000	857,513
<i>Total Funds</i>	<u>4,595,795</u>	<u>1,369,990</u>	<u>(1,650,596)</u>	<u>-</u>	<u>4,315,189</u>

Movement in funds – prior year comparative

	At 1 October 2020 £	Income & Investment gains £	Expenditure & losses on foreign exchange £	Transfers £	At 30 September 2021 £
Restricted Funds					
Subject Leadership Programme	-	105,016	(105,016)	-	-
Subject Enrichment Residentials	-	6,960	(6,960)	-	-
Primary Programmes	-	21,820	(21,820)	-	-
<i>Total restricted funds</i>	-	133,796	(133,796)	-	-
Endowment Funds					
Teacher Training Fund	1,556,814	2,252,082	(43,750)	(25,000)	3,740,146
Unrestricted General Funds	850,797	825,556	(845,704)	25,000	855,649
<i>Total Funds</i>	<u>2,407,611</u>	<u>3,211,434</u>	<u>(1,023,250)</u>	<u>-</u>	<u>4,595,795</u>

THE PROFESSIONAL TEACHING INSTITUTE

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11. Movement in funds (continued)

The Subject leadership programme restricted fund relates to funding received specifically for the Subject Leadership Programme activities.

The Subject enrichment residential restricted fund relates to funding received specially for the 2022 subject enrichment residential.

The Primary programmes restricted fund relates to funding received specifically for primary leadership support.

The Teacher Training Fund represents donations that are to be used as an Expendable Endowment for teacher professional development, that is both capital and income and can be drawn down to a maximum level of £100,000 per annum. A transfer of £155,000 was made in the year from the endowment funds.

12. Analysis of net assets between funds

	Fixed assets £	Investments £	Debtors £	Bank £	Creditors £	Total 2022 £
Unrestricted funds	58,025	-	192,547	1,039,529	(432,588)	857,513
Restricted funds	-	-	-	-	-	-
Endowment funds	-	3,253,670	-	204,006	-	3,457,676
	<u>58,025</u>	<u>3,253,670</u>	<u>192,547</u>	<u>1,243,535</u>	<u>(432,588)</u>	<u>4,315,189</u>

	Fixed assets £	Investments £	Debtors £	Bank £	Creditors £	Total 2021 £
Unrestricted funds	73,079	-	190,623	1,132,965	(541,018)	855,649
Restricted funds	-	-	-	129,403	(129,403)	-
Endowment funds	-	3,381,139	-	359,007	-	3,740,146
	<u>73,079</u>	<u>3,381,139</u>	<u>190,623</u>	<u>1,621,375</u>	<u>(670,421)</u>	<u>4,595,795</u>

13. Transactions involving Trustees and related parties

During the year, two trustees of The Professional Teaching Institute and a director of PTI Education Ltd, made donations to the Institute totaling £52,250 (2021 £52,250).

14. Operating lease commitments

At 30 September 2022, the charity had total commitments under non-cancellable leases for buildings as follows:

	2022 £	2021 £
Payable in less than one year	65,000	65,000
Payable within two to five years	177,904	242,904
	<u>242,904</u>	<u>307,904</u>

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15. Comparative Consolidated SOFA		Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total Funds 2021 £
	Note				
Grants and donations		490,960	133,796	2,000,000	2,624,756
Charitable activities:					
Secondary Affiliation Fees		251,270	-	-	251,270
Primary Programmes		7,150	-	-	7,150
Secondary Leadership Residential and Programme		-	-	-	-
New Teacher Subject Days		35,858	-	-	35,858
Other Continuing Professional Development		37,800	-	-	37,800
Other trading activities		-	-	-	-
Investments		2,518	-	51,066	53,584
Total Income		<u>825,556</u>	<u>133,796</u>	<u>2,051,066</u>	<u>3,010,418</u>
Expenditure on:					
Raising funds	3	<u>119,211</u>	<u>-</u>	<u>43,750</u>	<u>162,961</u>
Charitable activities:	2				
Subject Leadership Programme		67,208	105,016	-	172,224
Subject Enrichment Residentials		28,872	-	-	28,872
Primary Programmes		144,187	6,960	-	151,147
Secondary Leadership Residential and Programme		93,548	-	-	93,548
New Teacher Subject Days		147,075	-	-	147,075
Continuing Professional Development		197,304	21,820	-	219,124
Website and CRM		48,299	-	-	48,299
Total Cost of Charitable Activities		<u>726,493</u>	<u>133,796</u>	<u>-</u>	<u>860,289</u>
Total Expenditure		<u>845,704</u>	<u>133,796</u>	<u>43,750</u>	<u>1,023,250</u>
Net income / (expenditure) before other recognised gains / (losses) and transfers		<u>(20,148)</u>	<u>-</u>	<u>2,007,316</u>	<u>1,987,168</u>
Loss on foreign exchange		-	-	-	-
Net gain / (loss) on investments	7	-	-	201,016	201,016
Transfer between funds	11	25,000	-	(25,000)	-
Net income / (expenditure) for the year		<u>4,852</u>	<u>-</u>	<u>2,183,332</u>	<u>2,188,184</u>
Total funds at 1 October 2020		<u>850,797</u>	<u>-</u>	<u>1,556,814</u>	<u>2,407,611</u>
Total funds at 30 September 2021		<u>855,649</u>	<u>-</u>	<u>3,740,146</u>	<u>4,595,795</u>

