

THE PROFESSIONAL TEACHING INSTITUTE
(An incorporated charity limited by Guarantee)

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

Registered Charity No. 1116224
Company No. 05910443

THE PROFESSIONAL TEACHING INSTITUTE
REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2020

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THE PROFESSIONAL TEACHING INSTITUTE

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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 2020. 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 1 Vine St, London, W1J 0AH

Royal Founding Patron: HRH the Prince of Wales KG KT GCB OM

Honorary President Sir Harvey McGrath

Directors and charity Trustees who served during the year Keith M Breslauer (Chairman)
Sir Jonathan A. Coles
Professor E. Helen Cooper (resigned 23 January 2020)
J Fraser Greenshields (appointed 8 March 2020)
Raj Kumar
Julie Mercer
Baroness Sally Morgan of Huyton (appointed 29 May 2020)
Peter I. Wallace (retired 6 March 2020)

Company Secretary Julia Bagguley

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 1 Vine St, London, W1J 0AH

Accountants and auditor Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Legal advisors Farrer & Co
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London
WC2A 3LH

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FOR THE YEAR ENDED 30 SEPTEMBER 2020

Financial advisors London & Capital Asset Managers
Two Fitzroy Place
8 Mortimer Street
London W1T 3JJ

Bankers HSBC Bank plc
69 Pall Mall
London SW1Y 5EY

Principal address 1 Vine St
London
W1J 0AH

The foregoing legal and administrative information is correct as at 23 January 2021.

Objectives, activities and public benefit

Objectives

The PTI is committed to improving the education of all children in all state schools across England and Wales, irrespective of background, ability or location. 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. It works with school leaders at secondary and primary levels and across the following subjects: English, History, Geography, Mathematics, Science, Modern Foreign Languages, Latin, Art and Music.

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 an expanding library 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. Induction is via a Head of Department, or delegated representative, attending a Subject Enrichment Residential.

The Subject Enrichment Residentials are three-day residential events where top academics join teachers, typically Heads of Department, 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.

For the year under review, no Subject Enrichment Residentials took place.

School 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 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 School Leadership Residential. This is a two day conferences for Headteachers and MAT system leaders that provide a forum for reflection on issues about school leadership. During the residential, they choose whether they wish to opt into the School 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.
- **Online Forums** typically held after school hours, led by teachers. Devised in response to the COVID-19 pandemic and schools being closed in the summer term, these are national online forums, led by teachers, that enable school leaders and Heads of Department to compare experiences and swap ideas for dealing with the challenges of education in the current times. During the summer term they were held once a week for Headteachers, and once a fortnight in each subject for Heads of Department.

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. In the year under review a bespoke programme for school leaders in Blackpool was run.

New Teacher Subject Days

These courses of four Saturdays during the year are designed for school-based teacher trainees, Newly and Recently Qualified 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. In the year under review, a third centre in Birmingham was opened, in addition to the centre in London and Manchester (Altrincham).

Subject Leadership Certificate

Aimed at aspiring subject leaders, the Subject Leadership Certificate was successfully piloted in the year under review. It offers personal accreditation for teachers and aspiring leaders and has been designed to enhance subject knowledge, support teachers leading a department and improve pupil experience through the design, delivery and peer assessment of challenging schemes of work.

Lasting four terms, participants are required to design and deliver two new and more challenging Schemes of Work (a group of lessons for a given topic). 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.

THE PROFESSIONAL TEACHING INSTITUTE

TRUSTEES' REPORT

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Primary Leadership Programme, Residential and 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. Primary and Secondary Headteachers meet together at Leadership Programme Day and discuss issues of school leadership as well as their own individual progress.

Following attendance at PTI Primary Leadership Residential, a primary Head can choose to create 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. The Hub Lead is also part of the Primary Leadership Programme network (see above), and the PTI encourages other Heads in the Hub to attend future Primary Leadership Residentials themselves.

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.

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.

Achievements in 2019/20

The COVID-19 pandemic resulted in schools in England and Wales being closed to all children except those of key workers in late March 2020. The vast majority of both pupils and staff worked from home from this point until the end of June. The charity delivered its normal range of courses until March, but thereafter moved all its activities online, adding much needed additional online support for teachers. The result was a surge in engagement from teachers working from home in the summer term, and year end attendance and reach figures reflect this:

	2019/20	2018/19	Increase
Total teacher event attendance	3,848	1,494	158%
Total teacher reach	7,000	4,600	52%
Estimated students reached	750,000	475,000	58%
Cumulative students reached since 2007	1,950,000	1,600,000	22%

Our response to COVID-19 and support for schools

We had a strong year prior to the emergence of COVID-19. At 9 March 2020, our bookings were 80% higher than at the same time the previous year, driven by good CPD and New Teacher Subject Days attendance and the launch of three Primary Hubs and the Subject Leadership Certificate. However, the spread of COVID-19 in early March obliged us to cancel the VIP Dinner and School Leadership Programme Day with 48 hours' notice. On 18 March the PTI staff team moved to a Working From Home model that continued to the end of the year under review.

Over the Easter holidays we reshaped the Summer Term's offer to make all events (except our Subject Enrichment Residential) available online, doubling the number of online courses and adding new Online Forums (see above). There was a deluge of interest in the various online courses and forums, driven by many teachers having more time at home than during the usual school day.

Overall teacher attendance for the year ended up 158% – by far the highest the charity has ever achieved. Including indirect teacher reach of those pursuing PTI departmental objectives, we estimate that we reached 7,000 teachers teaching 750,000 students during 2019/20.

Online Leadership Forums

At the beginning of lockdown it was clear that schools were having to make up their response to coronavirus on the hoof. We therefore set up weekly online forums to bring together subject leaders and members of schools' Senior Leadership Teams to compare experiences, collaborate and exchange resources during the unprecedented times.

These forums proved vital, and this was reflected in the evaluations we received, with over 80% stating that it was a valuable experience, that attendance would have an impact on their students and requesting that we continue to run them in the next academic year. We are doing this in every subject, as well as for Early Years (primary) and School Leadership.

Online CPD and Virtual Primary Hubs

We expanded our online CPD offer by adding live lectures to the existing schedule of workshops and online discussions and these courses attracted 2,109 delegates. Despite the much higher number of teachers attending, the quality of these remained high, with over three quarters confirming that the sessions had given them the knowledge and skills to be a better teacher and that they would have an impact on their pupils.

For our Primary Hubs, because we were unable to continue with the programme of face to face events planned, we provided online CPD in four subjects for all our primary schools to engage in. These had positive responses of 96-100% from the primary teachers attending.

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Core business

Subject Leadership Programme and Subject Enrichment Residential

We moved our end of year Subject Leadership Programme Days online. As well as an online morning with lecturers and the facility to share experiences in breakout groups in every subject, we organised over 300 one to one mentoring sessions, which resulted in the awarding of 242 PTI Marks for innovative work done in subject departments. The challenge of the work done within the Programme was high with 90% of delegates agreeing that this academic year had seen more challenging work in their departmental development plan. Of these, 93% agreed their PTI Subject Leadership Programme membership had influenced this change.

Due to COVID-19, our PTI Subject Leadership Residential has been postponed to the following year, when we aim to hold two Residentials in order to cover all subjects.

Leadership Programmes and Residentials

Both our Leadership Residentials were held prior to the pandemic and were very well received. For the third year in a row 100% of primary Heads said they felt reinvigorated and more excited about teaching and the teaching profession as a result of attending the residential and 96% of secondary Heads agreed that attending would have a direct impact on their schools.

With the introduction of PTI Primary Hubs, primary school involvement in PTI activities has more than doubled in 2019/20, with teachers from 136 primary schools attending a PTI event during the year compared to 71 the year before.

We were obliged to cancel the March Leadership Programme at the last minute because of COVID-19, but we held all the mentoring consultations online afterwards, and awarded 21 PTI Leadership Marks.

CPD Subject Days

We ran 12 successful face to face CPD days to 200 teachers before we had to suspend face to face activities. We also ran a day with overnight for Blackpool English teachers that was particularly well received, and were asked by Blackpool City Council to provide support for Blackpool primary and secondary Heads. 12 Heads attended either our primary or secondary Leadership Residentials, and 24 members of their senior leadership teams are receiving additional support in how to coach successfully.

New Teacher Subject Days

Our New Teacher Subject Days took place in the Autumn and Spring terms just before the country went into lockdown. We were delighted to open up our centres in Manchester and Birmingham again, having had to suspend activities there when government funding for them ceased in 2016. Over 95% of the 321 delegates across the three locations said that attending these days would have an impact on their students and that the course would make them a better teacher.

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New initiatives

Primary Hubs

Following a successful pilot in 2018/19, we established PTI Primary Hubs in three areas: Cornwall, Harlow (Essex) and Bolton (Lancs). We ran three out of four planned face to face events in these Primary Hubs, and they were extremely well received. Over 95% of the teachers attending said that that the days had given them the knowledge and skills to be a better teacher and that they would have an impact on their pupils.

Subject Leadership Certificate

We launched our Subject Leadership Certificate following a successful pilot in 2018/19. Although we continued to run our online tutorials, COVID-19 disrupted teachers' ability to execute their new schemes of work, and we were obliged to delay the assessment of work done last year until November 2020, when we will be conducting it online.

Bernice McCabe Award

Following the death in 2019 of the charity's founding Co-Director, Bernice McCabe, we agreed to create a new award for teachers participating in the Subject Leadership Programme: the Bernice McCabe Award. A pre-eminent jury, chaired by Steve Munby CBE, Chairman of the Teaching Awards, was convened, and the first winner was the Music Department at Mounts Bay School, Penzance, for outstanding work enthusing the children to engage in music-making in the school.

The presentation of the award, due to be made at the VIP dinner at the Mercers Hall in March, was made privately. It is our hope to be able to hold a face to face event to celebrate this achievement in 2021.

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.

Subsequent to the pandemic outbreak, the charity has witnessed steadfast support from its Patrons and renewals by past donors, although some applications to charitable trusts have been put on hold while the trusts change their objectives temporarily due to COVID-19. At the time of publication, fundraising has continued successfully, carried out by the in-house fundraising team, and continues broadly in line with expectations. The challenge of developing new relationships, and the uncertainty donors are experiencing, are unquestionably being felt.

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 £1,211k (2018/19: £1,295k) and total expenditure was £1,293k (2018/19: £1,376k), and after losses on foreign exchange and investments, total funds decreased from £2,545k to £2,408k. Excluding movements in endowment funds, total income during the period under review was £1,179k (2018/19: £1,243k) and total expenditure was £1,271k (2018/19: £1,376k). The Trustees chose to draw down £68k of capital from the Teacher Training Fund which, together with the £32k of income generated, represents the annual £100k allowance. This resulted in a surplus of unrestricted funds of £5k for the year under review.

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Voluntary and sponsorship income declined 14% to £741k (2018/19: £861k). However, an additional £135k was received that was tied to the delivery of face to face events in the 2020 summer term that could not be delivered due to COVID-19. All the donors have kindly agreed to the funds being rolled over for delivery the following financial year. When included in the year's total raised, fundraising and sponsorship income increased by 2% compared to the prior year. 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 increased 16% to £432k (2018/19: £373k), driven by the successful growth of PTI Unlimited – a flat rate annual fee which allows schools to send as many teachers as they would like to PTI events, subject to a fair usage policy.

No further donations to the Teacher Training Fund were expected or received during the year under review. Taking into account income and losses on investments, management charges and foreign exchange, the fund declined by 2.5% (2018/19: growth of 5.8%) to £1.657k. Following the drawdown of £100k of income and capital, at the year end endowment funds totalled £1,557k.

Overall expenditure declined 6% to £1,293k (2018/19: £1,376k). Direct costs of charitable activities decreased by 27% £338k (2018/19: £464k). Direct costs of New Teacher Subject Days, which were completed prior to the March COVID-19 lockdown, increased by £40k due to the greater number of subjects run in Manchester and the re-opening of courses in Birmingham. However, this was more than offset by £40k savings in the Subject Leadership Programme, whose summer term face to face activities were moved online, and a £116k saving due to the Subject Enrichment Residential having to be postponed until the following year. Support costs of charitable activities, including general office and governance costs, stayed stable at £756k (2018/19: £759k).

Expenditure on raising funds increased by 29% to £198k (2018/19: £153k) driven by our holding a dinner to thank Patrons, which was not held in the prior year.

At the year-end the Net Assets totalled £2,408k (2018/19: £2,545k).

The Trustees consider that the financial results represent a very satisfactory out-turn given the challenges presented by the COVID-19 pandemic.

Reserves and Investment policies

The PTI's minimum reserve policy is to have three months' normal operating expenditure as cash in hand (currently approximately £275k). 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 £675k, and with unrestricted reserves totalling £851k at the year end, this objective has been comfortably met. The Trustees consider it prudent to be in this position, in the light of the COVID-19 pandemic, continuing pressure on school budgets for continuing professional development and the very 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, the Trustees formally adopted an investment policy that kept the charity's unrestricted funds on deposit, diversified across three AAA-rated deposit takers and one other.

With the Teacher Training Fund at £1.56m at the year end, and with a maximum draw-down of £100k per annum, the majority of the fund is for use in the medium and long term. At year end, £184k of the fund was held as cash on deposit, and the remaining £1.4m was invested in a diversified portfolio of medium investment risk to provide growth for the medium and long term. The charity pursues an ethical investment policy and the portfolio is managed on a discretionary basis by investment managers London & Capital.

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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.

Future plans: 2020/21

Going forward, the charity will seek to consolidate its online presence, and continue to offer a vital lifeline to teachers working in very difficult circumstances.

For the 2020/21 year, all of the strands of activity will be offered, but in an online format. Despite the emergence of the COVID-19 new variant, we hope that the control measures for COVID-19 will have evolved sufficiently by June 2021 for us to be able to hold face to face events once again, and are planning to do so for our core work with Subject Leaders:

- Two Subject Residentials at Downing College, Cambridge, providing the courses postponed from the year under review and those planned for the 20/21. In total English, Mathematics, Science, Languages, History, Geography, Music and Art will be covered.
- Subject Leadership Programme Days at Crewe Hall and in London

In the event that social distancing measures are still required, we will revert to delivering these online.

Despite the challenges of having to work online only, in response to demand from PTI Unlimited schools, we are seeking to develop professional development in two new subject areas, Physical Education and Design & Technology and will be gathering top practitioners in these subjects to help us design courses.

We will also be seeking to expand the Subject Leadership Certificate. At present, it is aimed at Middle Leaders, and the requirements of the current Level 1 Certificate are consistent with an NPQML (National Professional Qualification for Middle Leaders). In 2020/21 we will complete the pilot of the Level 2 Certificate, which is aimed at Senior Leaders, with the intention of launching it in 2021/22. Finally, we will be working with Cambridge Assessment International to develop an international version of the Certificate.

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.

On 23 July 2019, the company changed name from 'The Prince's Teaching Institute' to 'The Professional Teaching Institute' and HRH The Prince of Wales was confirmed as its Royal Founding Patron. As the trading name has become The PTI, the wordmark "The PTI" and the logo are trademarked.

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 President (after consultation with 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 HRH The Prince of Wales and his staff.

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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

Organisation

The charity has 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 are assisted by eight full-time employees and three part-time employees. Academic activities are led by a group of practising teachers acting as consultants.

Julia Bagguley has acted as Company Secretary on a part time and voluntary basis, which the Trustees note and for which they record their thanks.

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. However, they were satisfied by the charity's response to the COVID-19 pandemic.

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:

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- **Fundraising uncertainty.** Whilst the PTI's donors have stayed steadfast to date, the economic uncertainties caused by COVID-19 and Brexit make predicting future fundraising challenging. In the event that fundraising should suffer significant setbacks, the charity is able to reduce costs significantly by scaling back activities if necessary.
- **Lack of teacher time due to COVID-19.** Teachers' workloads have increased dramatically due to the logistical constraints imposed on schools by COVID-19. The lack of teacher time makes it more difficult for teachers to find time, both to act as PTI Teacher Leaders and run PTI events, but also to attend. The situation is particularly acute for senior leaders in schools, who make up the pool of PTI Teacher Leaders. The charity has a broad base of senior teachers involved in its activities, if not leading them, and will bring onstream additional Teacher Leaders from this base of teachers.
- **Reluctance of teachers to engage in face to face professional development in future.** Lockdown has required teachers to become much more fluent in the use of online communication platforms. Whilst the charity's online work has benefited significantly from this, it is not clear what appetite there will be to return to face to face professional development in the longer term. Although the charity has proven its ability to run high quality online events, we do not consider the impact that can be achieved online to be comparable to that achieved in face to face events. However, in the event that teachers do not wish to re-engage with face to face activities, the charity has proven its ability to make the most of the online medium.

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Audit Information

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;
- 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:

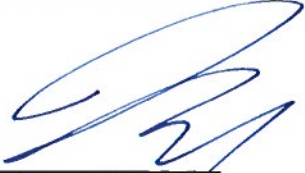
- There is no relevant audit information of which the charitable Company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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: Jan 26, 2021

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

FOR THE YEAR ENDED 30 SEPTEMBER 2020

Opinion

We have audited the financial statements of The Professional Teaching Institute for the year ended 30 September 2020 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 2020 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.

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.

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.

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 or the 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.

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

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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.

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.

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
Date: 6 February 2021

10 Queen Street Place
London
EC4R 1AG

THE PROFESSIONAL TEACHING INSTITUTE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Endowment Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
Income and endowments from:						
Grants and donations		618,890	101,650	-	720,540	816,191
Charitable activities:						
Secondary Affiliation Fees		244,197	-	-	244,197	162,130
Subject Enrichment Residentials		-	-	-	-	46,576
Primary Programmes		27,270	-	-	27,270	12,755
Secondary Leadership Residential and Programme		3,425	-	-	3,425	11,570
New Teacher Subject Days		76,273	-	-	76,273	65,916
Other Continuing Professional Development		81,265	-	-	81,265	74,057
Other trading activities		20,000	-	-	20,000	45,000
Investments		6,055	-	31,534	37,589	60,852
Total Income		1,077,375	101,650	31,534	1,210,559	1,295,047
Expenditure on:						
Raising funds	3	179,302	-	18,983	198,285	153,188
Charitable activities:	2					
Subject Leadership Programme		166,437	25,940	-	192,376	242,341
Subject Enrichment Residentials		8,438	33,910	-	42,348	261,278
Primary Programmes		143,862	41,800	-	185,662	91,331
Secondary Leadership Residential and Programme		112,299	-	-	112,299	126,820
New Teacher Subject Days		248,359	-	-	248,359	196,522
Other Continuing Professional Development		278,163	-	-	278,163	252,032
Website and CRM		35,066	-	-	35,066	52,811
Total Cost of Charitable Activities		992,623	101,650	-	1,094,273	1,223,135
Total Expenditure		1,171,925	101,650	18,983	1,292,558	1,376,323
Net income / (expenditure) before other recognised gains / (losses) and transfers		(94,550)	-	12,551	(81,999)	(81,276)
Loss on foreign exchange		-	-	(14,635)	(14,635)	(49,436)
Net (loss) / gain on investments	7	-	-	(41,140)	(41,140)	115,613
Transfer between funds	10	100,000	-	(100,000)	-	-
Net income / (expenditure) for the year		5,450	-	(143,224)	(137,774)	(15,099)
Total funds at 1 October 2019		845,347	-	1,700,038	2,545,385	2,560,484
Total funds at 30 September 2020		850,797	-	1,556,814	2,407,611	2,545,385

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 14.
The notes to the financial statements form part of these accounts.

CONSOLIDATED BALANCE SHEET

AT 30 SEPTEMBER 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible fixed assets	6		-		-
Investments	7		1,372,808		1,516,032
			<u>1,372,808</u>		<u>1,516,032</u>
Current assets					
Debtors	8	118,751		172,749	
Cash at bank and in hand		1,288,918		1,202,841	
		<u>1,407,669</u>		<u>1,375,590</u>	
Creditors					
Amounts falling due within one year	9	(372,866)		(346,237)	
				<u>(346,237)</u>	
Net current assets			<u>1,034,803</u>		<u>1,029,353</u>
Net assets			<u>2,407,611</u>		<u>2,545,385</u>
Funds					
Restricted funds	10		-		-
Endowment funds	10		1,556,814		1,700,038
Unrestricted funds	10		850,797		845,347
			<u>2,407,611</u>		<u>2,545,385</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

26/1/2021

K'thiel (Keith) Breslauer
Chairman

CHARITY BALANCE SHEET

AT 30 SEPTEMBER 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible fixed assets	6		-		-
Investments	7		1,372,809		1,516,033
			<u>1,372,809</u>		<u>1,516,033</u>
Current assets					
Debtors	8	191,946		216,542	
Cash at bank and in hand		1,011,414		953,646	
		<u>1,208,760</u>		<u>1,170,188</u>	
Creditors					
Amounts falling due within one year	9	(168,558)		(140,837)	
				<u>(140,837)</u>	
Net current assets			<u>1,034,802</u>		<u>1,029,351</u>
Net assets			<u>2,407,611</u>		<u>2,545,384</u>
Funds					
Restricted funds	10		-		-
Endowment funds	10		1,556,814		1,700,038
Unrestricted funds	10		850,797		845,346
			<u>2,407,611</u>		<u>2,545,384</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

26/1/2021

K'thiel (Keith) Breslauer
Chairman

THE PROFESSIONAL TEACHING INSTITUTE
CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Note	2020 £	2019 £
Cash flow from operating activities			
Net cash (used in)/provided by operating activities	(i)	(38,960)	(96,133)
Cash flow from investing activities			
Investment income		37,589	60,852
Acquisition of fixed asset investments through investment manager		(309,448)	(562,361)
Proceeds from disposal of fixed asset investments through investment manager		396,611	637,432
Loss on foreign exchange		(14,635)	(49,436)
Net cash provided by/(used in) investing activities		110,117	86,487
Change in cash and cash equivalents		71,157	(9,646)
Cash and cash equivalents at the start of the year	(ii)	1,343,296	1,352,942
Cash and cash equivalents at the end of the year		1,414,453	1,343,296

(i) Reconciliation of net income to net cash flow from operating activities

	2020 £	2019 £
Net expenditure	(137,774)	(15,099)
Adjustments for:		
Depreciation charge	-	158
Dividend income	(31,534)	(27,405)
Interest received	(6,055)	(33,447)
Loss on sale of investments	45,018	6,206
Loss on foreign exchange	14,635	49,436
Unrealised gain on investments	(3,878)	(121,819)
Decrease/(Increase) in debtors	53,999	32,924
Increase/(Decrease) in creditors	26,629	12,913
Net cash (used in)/provided by operating activities	(38,960)	(96,133)

(ii) Analysis of changes in net debt

	At 1 October 2019 £	Cashflows £	At 30 September 2020 £
Cash at bank and in hand	1,202,841	86,077	1,288,918
Cash held on deposit and accrued interest	140,455	(14,920)	125,535
	1,343,296	71,157	1,414,453

THE PROFESSIONAL TEACHING INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. Accounting policies

The charity is a company limited by guarantee, that was incorporated in England and Wales. Its registered office is 1 Vine St, London, W1J 0AH. 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 represent a donation that is 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 2020

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 2020

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 2020

2. Cost of Charitable Activities

2020	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 2020 £
Activities direct costs	64,735	12,397	21,465	20,049	110,288	85,833	23,257	338,024
<i>Support costs</i>								
Wages and salaries	87,517	19,692	92,189	55,764	96,144	119,937	8,203	479,446
Consultancy	23,563	4,300	42,189	25,226	10,781	37,271	300	143,630
General office costs	13,516	4,508	24,783	9,012	25,910	29,289	2,253	109,271
Governance costs	3,045	1,451	5,036	2,248	5,236	5,833	1,053	23,902
	<u>127,641</u>	<u>29,951</u>	<u>164,197</u>	<u>92,250</u>	<u>138,071</u>	<u>192,330</u>	<u>11,809</u>	<u>756,249</u>
	<u>192,376</u>	<u>42,348</u>	<u>185,662</u>	<u>112,299</u>	<u>248,359</u>	<u>278,163</u>	<u>35,066</u>	<u>1,094,273</u>

2019	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 2019 £
Activities direct costs	105,504	128,469	11,719	28,209	70,694	84,620	34,539	463,754
<i>Support costs</i>								
Wages and salaries	96,656	72,131	49,492	55,523	71,545	89,344	12,737	447,428
Consultancy	18,041	31,433	4,427	28,054	12,602	38,164	1,160	133,881
General office costs	18,314	24,418	21,366	12,209	35,101	33,575	3,052	148,035
Governance costs	3,826	4,827	4,327	2,825	6,580	6,329	1,323	30,037
	<u>136,837</u>	<u>132,809</u>	<u>79,612</u>	<u>98,611</u>	<u>125,828</u>	<u>167,412</u>	<u>18,272</u>	<u>759,381</u>
	<u>242,341</u>	<u>261,278</u>	<u>91,331</u>	<u>126,820</u>	<u>196,522</u>	<u>252,032</u>	<u>52,811</u>	<u>1,223,135</u>

THE PROFESSIONAL TEACHING INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

3. Cost of raising funds

	2020	2019
	£	£
Wages and salaries	87,595	86,056
General office costs	22,530	30,523
Direct fundraising and event-related costs	69,177	17,204
Investment management fees	18,983	19,405
	<u>198,285</u>	<u>153,188</u>

4. Governance costs

	2020	2019
	£	£
Wages and salaries	7,847	14,609
General office costs	3,380	4,578
Auditor's remuneration – current year: The Professional Teaching Institute	8,650	7,750
– current year: PTI Education Limited	4,025	3,100
	<u>23,902</u>	<u>30,037</u>

5. Staff costs

	2020	2019
	£	£
Wages and salaries	482,707	455,284
Social security costs	44,896	48,765
Contributions to personal pension schemes	47,284	44,044
	<u>574,887</u>	<u>548,093</u>

One employee received remuneration between £120,000 and £130,000 during the year (2019: one employee between £110,000 and £120,000) and one employee received remuneration between £60,000 and £70,000 during the year (2019: one). Pension contributions of £18,714 (2019: £18,279) were paid on behalf of these individuals.

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

	2020	2019
	£	£
Charitable activities	12.8	11.8
Governance	0.2	0.2
	<u>13.0</u>	<u>12.0</u>

THE PROFESSIONAL TEACHING INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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 comprises 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 £396,601 (2019: £365,715).

6. Tangible Fixed Assets – Charity and Consolidated

	Website and Computer Equipment £	Office Fittings and Equipment £	Total £
Cost			
As at 1 October 2019 and at 30 September 2020	73,302	8,289	81,591
Depreciation			
At 1 October 2019	73,302	8,289	81,591
Charge during the year	-	-	-
At 30 September 2020	73,302	8,289	81,591
Net Book Value			
At 30 September 2020	-	-	-
At 30 September 2019	-	-	-

7. Fixed Asset Investments

Consolidated	Listed 2020 £	Listed 2019 £
Market value brought forward	1,375,577	1,335,035
Acquisitions at cost	309,448	562,361
Less disposal proceeds	(396,611)	(637,432)
Realised loss on disposal	(45,018)	(6,206)
Unrealised gain on revaluation	3,878	121,819
Market Value Carried Forward	1,247,273	1,375,577
Cash held	120,305	124,007
Accrued interest	5,230	16,448
Total value	1,372,808	1,516,032
<i>Historic cost of listed investments</i>	<i>1,301,525</i>	<i>1,239,685</i>

THE PROFESSIONAL TEACHING INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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 2020 is £56,084 (2019: £127,790) before the gift aid payment is made.

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

	2020 £	2019 £
Turnover	1,296,430	1,458,004
Cost of sales	(305,441)	(429,215)
Gross profit	990,989	1,028,789
Administrative expenses	(935,532)	(902,312)
Operating profit	55,457	126,477
Interest	627	1,313
Profit before taxation	56,084	127,790
Tax on profit	-	-
Profit for the financial period	56,084	127,790
Gift Aid Payment	(56,084)	(127,790)

A summary of its assets are shown below:

	2020 £	2019 £
Debtors	73,103	88,767
Cash at bank and in hand	277,505	249,195
Creditors falling due within one year	(350,607)	(337,961)
Net current assets	1	1

THE PROFESSIONAL TEACHING INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

8. Debtors

	Consolidated 2020 £	Consolidated 2019 £	Charity 2020 £	Charity 2019 £
Trade debtors	67,033	68,026	10,075	3,000
Prepayments	32,049	55,710	15,903	37,221
Accrued income	14,343	35,786	14,343	30,534
VAT recoverable	-	7,901	5,216	12,671
Intercompany debtor	-	-	141,083	127,790
Rent deposit	5,326	5,326	5,326	5,326
	<u>118,751</u>	<u>172,749</u>	<u>191,946</u>	<u>216,542</u>

9. Creditors: Amounts falling due within one year

	Consolidated 2020 £	Consolidated 2019 £	Charity 2020 £	Charity 2019 £
Trade creditors	14,582	90,274	6,617	62,176
Deferred income	280,200	186,458	120,960	40,995
Other creditors	3,600	3,600	-	-
VAT Payable	12,431	-	-	-
Accruals	62,053	65,905	40,981	37,666
	<u>372,866</u>	<u>346,237</u>	<u>168,558</u>	<u>140,837</u>

	Consolidated 2020 £	Consolidated 2019 £	Charity 2020 £	Charity 2019 £
Deferred income at 1 October 2019	186,458	201,220	40,995	127,224
Funds received in the year	274,835	181,073	115,595	35,630
Amount released to restricted and unrestricted funds in the SOFA	<u>(181,093)</u>	<u>(195,835)</u>	<u>(35,630)</u>	<u>(121,859)</u>
Deferred income at 30 September 2020	<u>280,200</u>	<u>186,458</u>	<u>120,960</u>	<u>40,995</u>

THE PROFESSIONAL TEACHING INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

10. Movement in funds
Group

	At 1 October 2019 £	Income & Investment gains £	Expenditure & losses on foreign exchange £	Transfers £	At 30 September 2020 £
Restricted Funds					
Subject Leadership Programme	-	25,940	(25,940)	-	-
Subject Enrichment Residentials	-	33,910	(33,910)	-	-
Primary Programmes	-	41,800	(41,800)	-	-
<i>Total restricted funds</i>	-	101,650	(101,650)	-	-
Endowment Funds					
Teacher Training Fund	1,700,038	31,534	(74,758)	(100,000)	1,556,814
Unrestricted General Funds	845,347	1,077,375	(1,171,925)	100,000	850,797
Total Funds	2,545,385	1,210,559	(1,348,333)	-	2,407,611

Movement in funds – prior year
comparative

	At 1 October 2018 £	Income & Investment gains £	Expenditure & losses on foreign exchange £	Transfers £	At 30 September 2019 £
Restricted Funds					
Subject Leadership Programme	-	107,528	(107,528)	-	-
Subject Enrichment Residentials	-	74,653	(74,653)	-	-
Primary Leadership Residential and Programme	-	16,300	(16,300)	-	-
<i>Total restricted funds</i>	-	198,481	(198,481)	-	-
Endowment Funds					
Teacher Training Fund	1,701,336	167,543	(68,841)	(100,000)	1,700,038
Unrestricted General Funds	859,148	1,044,636	(1,158,437)	100,000	845,347
Total Funds	2,560,484	1,410,660	(1,425,759)	-	2,545,385

THE PROFESSIONAL TEACHING INSTITUTE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2020

10. 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 2020 subject enrichment residential.

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

The Teacher Training Fund represents a donation from the Prince of Wales US Foundation that is 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 £100,000 was made in the year from the endowment funds.

11. Analysis of net assets between funds

	Fixed assets £	Investments £	Debtors £	Bank £	Creditors £	Total 2020 £
Unrestricted funds	-	-	118,751	1,104,912	(372,866)	850,797
Endowment funds	-	1,372,808	-	184,006	-	1,556,814
	-	1,372,808	118,751	1,288,918	(372,866)	2,407,611
	Fixed assets £	Investments £	Debtors £	Bank £	Creditors £	Total 2019 £
Unrestricted funds	-	-	172,749	1,018,835	(346,237)	845,347
Endowment funds	-	1,516,032	-	184,006	-	1,700,038
	-	1,516,032	172,749	1,202,841	(346,237)	2,545,385

12. 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 (2019 £50,000).

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13. Operating lease commitments

At 30 September 2020, the charity had total commitments under non-cancellable leases for buildings as follows:

	2020	2019
	£	£
Payable in less than one year	11,418	68,510
Payable within two to five years	-	11,418
	<hr/>	<hr/>
	11,418	79,928
	<hr/> <hr/>	<hr/> <hr/>

THE PROFESSIONAL TEACHING INSTITUTE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

14. Comparative Consolidated SOFA	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Endowment Funds 2019 £	Total Funds 2019 £
Income and endowments from:				
Grants and donations	617,710	198,481	-	816,191
Charitable activities:				
Affiliation Fees	162,130	-	-	162,130
Subject Enrichment Residentials	46,576	-	-	46,576
Primary Leadership Residential and Programme	12,755	-	-	12,755
Secondary Leadership Residential and Programme	11,570	-	-	11,570
New Teacher Subject Days	65,916	-	-	65,916
Other Continuing Professional Development	74,057	-	-	74,057
Other trading activities	45,000			45,000
Investments	8,922	-	51,930	60,852
Total Income	1,044,636	198,481	51,930	1,295,047
Expenditure on:				
Raising funds	133,783	-	19,405	153,188
Charitable activities:				
Subject Leadership Programme	134,813	107,528	-	242,341
Subject Enrichment Residentials	186,625	74,653	-	261,278
Primary Leadership Residential and Programme	75,031	16,300	-	91,331
Secondary Leadership Residential and Programme	126,820	-	-	126,820
New Teacher Subject Days	196,522	-	-	196,522
Other Continuing Professional Development	252,032	-	-	252,032
Website and CRM	52,811	-	-	52,811
Total Cost of Charitable Activities	1,024,654	198,481	-	1,223,135
Total Expenditure	1,158,437	198,481	19,405	1,376,323
Net income / (expenditure) before other recognised gains / (losses) and transfers	(113,801)	-	32,525	(81,276)
(Loss)/gain on foreign exchange	-	-	(49,436)	(49,436)
Net gain on investments	-	-	115,613	115,613
Transfer between funds	100,000	-	(100,000)	-
Net income / (expenditure) for the year	(13,801)	-	(1,298)	(15,099)
Total funds at 1st October 2018	859,148	-	1,701,336	2,560,484
Total funds at 30th September 2019	845,347	-	1,700,038	2,545,385