

SHINE: Support and Help IN Education



SHINE: Support and Help IN Education

Report and Financial Statements

31 August 2021

SHINE: Support and Help IN Education

REPORT AND FINANCIAL STATEMENTS 2021

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SHINE: Support and Help IN Education

REFERENCE AND ADMINISTRATIVE DETAILS

TRUSTEES

Cameron Ogden	Chairman
Lorna Fitzsimons	
Kavita Gupta	
Mark Heffernan	
Sarah Loftus	
Ann Mroz	
Lord Jim O'Neill	
Raksha Pattni	
Prof Samantha Twiselton OBE	

Emeritus Trustees

David Blood
Gavin Boyle

PATRONS

David Beckham OBE	Gary Neville
Sir Howard Bernstein	The Lord O'Donnell, GCB
Sarah Brown	Sir Peter Ogden
Prof Gavin Brown	George Osborne
Gavyn Davies, OBE	Prof Dame Alison Richard, DBE DL
Prof Chris Day	Nick Robinson
Sir Alex Ferguson, CBE	Prof Dame Nancy Rothwell
Prof Chris Husbands	June Sarpong
Sir Alan Langlands	Nicola Shindler
Prof Susan Lea	Dr Sushil Wadhwani CBE
Anne Longfield	

CHIEF EXECUTIVE AND COMPANY SECRETARY

Fiona Spellman
Helen Rafferty Acting CEO

OFFICE ADDRESS

SHINE
2 Princes Exchange
Princes Square
Leeds
LS1 4HY

BANKERS

Barclays Bank Plc
Epsom Branch
82-84 High Street
Epsom KT19 8BH

SOLICITORS

Bates Wells
10 Queen Street Place
London EC4R 1BE

AUDITORS

Blick Rothenberg Audit LLP
16 Great Queen Street
London WC2B 5AH

SHINE: Support and Help IN Education

TRUSTEES' REPORT

The trustees present their annual report and the audited financial statements for the year ended 31 August 2021. The report and financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts, and comply with the charity's governing documents, the Charities Act 2011 and the Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102) revised 2019.

The trustees who served throughout the last financial year were: Lorna Fitzsimons, Mark Heffernan, Sarah Loftus, Ann Mroz, Cameron Ogden, Lord O'Neill, Raksha Pattni, Stephen Shields and Professor Samantha Twiselton. Additionally, Kavita Gupta was appointed to the board on 15 December 2020.

Post year end on the 15 September 2021 Stephen Shields has resigned from the board of trustees.

In view of their long service and outstanding contributions to the charity since its inception, both David Blood and Gavin Boyle were appointed as Emeritus Trustees on stepping down from the board in 2020 and remain in this role. There is no formal legal responsibility attached to this role, but both will remain closely involved with SHINE into the future.

STRUCTURE, GOVERNANCE AND MANAGEMENT

SHINE is a registered charity (no.1082777) and a company limited by guarantee (no. 4053509) and is governed by its Memorandum and Articles of Association. The declaration of trust was made on 17 March 1999 and the charitable company was incorporated on 16 August 2000.

Trustees are appointed by the board of trustees. Any serving trustee is eligible to nominate new trustees for appointment to the board. The induction process for new trustees comprises an initial meeting with the Chairman, followed by a formal welcome and induction meeting with the Chief Executive, at which point the following is provided: an information pack about SHINE; copies of the original Trust deed and the charitable company's Memorandum and Articles of Association; copies of the most recent trustees' report and audited financial statements; and copies of the relevant Charity Commission and Companies House guidance booklets – *"The Essential Trustee: What you need to know"* and *"The Directors (and Secretaries) Guide"*.

The board of trustees is led by the Chairman who is elected to serve for a term of three years initially. The board of trustees sets the policy framework for the charitable company and the Chief Executive leads the staff team in day-to-day operations. The board also periodically reviews the policy framework and keeps it up to date so that it remains relevant to the work of SHINE and the context within which the charitable company is working.

The board allocates responsibility for different aspects of SHINE's business to a number of sub-committees/clusters (membership of committees is made up of trustees with support from officers): the investment and finance cluster, the grant-making cluster and the fundraising cluster. These groups report to the full board. The full board meets at least three times each year. The sub-committees meet on a regular basis throughout the year.

At SHINE's AGM in September 2020, the trustees approved a proposal to move to fixed term appointments to the board. SHINE's trustees serve for a first term of five years, and a second term of four years, and retirements from the board are considered at the March board meeting.

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TRUSTEES' REPORT

Related parties

None of our trustees receive remuneration or other benefit from their work with the charity. All trustees and staff must complete a declaration of interest form upon appointment. The Chief Executive holds and updates the register of interests on an annual basis. Other than trivial travel costs reimbursement, no such related party transactions were reported.

The charity had a wholly owned subsidiary, SHINE: Support and Help in Education Trading Limited, which was established to receive non-charitable income such as sponsorship. Income from the subsidiary was donated to the Charity. The director of the subsidiary was Cameron Ogden, and Fiona Spellman was the company secretary. This trading subsidiary was no longer in use and was formally dissolved on 18 May 2021.

Pay and remuneration

The pay of the Chief Executive is reviewed annually by the Chair. The pay of staff is reviewed annually by the Chief Executive. Each year staff will normally receive a cost of living pay increase.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of SHINE: Support and Help IN Education 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).

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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STRATEGIC REPORT

OBJECTIVES, ACTIVITIES AND PUBLIC BENEFIT

SHINE was first established in 1999 by a group of committed philanthropists who wanted to improve the attainment of children from low income homes.

Since then, we have invested over £33 million in projects benefiting over 1.4 million children from over 20,000 schools. 225,000 of these children have been reached by SHINE-funded programmes in schools; and in addition, more than 1.2 million disadvantaged children have benefited from access to SHINE-funded programmes online.

SHINE has identified and helped to scale-up some of the most successful education programmes in the UK, including the Tutor Trust, IntoUniversity, HegartyMaths and Times Tables Rockstars. We specialise in spotting early potential and then helping new innovations expand across the system.

In 2017, SHINE took a bold decision to relocate out of London and focus on tackling educational inequality across the Northern Powerhouse, where the need is greatest and where there are fewer locally-based funders able to help tackle the issue.

SHINE is run on a number of core principles which underpin everything we do:

- SHINE cares deeply about giving children fair chances to succeed in education.
- SHINE is passionate about supporting great educational practice to change children's lives.
- SHINE applies business skills to education, supporting rigorous, sustainable interventions that can be scaled up once proven.
- SHINE's trustees pay for the operating costs of the charity so that 100% of all donations go directly to supporting the children who need it most.

In reviewing our charitable objectives and planning our activities, the trustees of SHINE have taken into account the Charity Commission's general guidance on public benefit and its supplementary guidance on the advancement of education for public benefit.

ACHIEVEMENTS AND PERFORMANCE

Some of the highlights from the 2020-21 academic year include:

- SHINE continued to support our teachers and schools throughout the disruption caused by the COVID-19 pandemic, standing shoulder-to-shoulder with our partners to support them to adapt their work to help children and families during this time of high vulnerability.
- We provided an essential voice for teachers, students and the education profession throughout the pandemic, providing media commentary, insights and information at a time of high visibility.
- We invested almost £1.56 million in new projects, supporting promising teacher-led innovations, and funding 50 new schools to work across critical phases in children's education from early years to the transition from primary to secondary school.
- We relaunched our Let Teachers Shine (LTS) competition under our reshaped strategy, with a focus on achieving impact in the North from the outset, extended financial backing for teachers, and a package of workshops and support to turn teachers' ideas into reality. We are working with 11 new successful applicants, and taking a further four of our teachers to the next level with development funding for their projects.
- We secured major partnerships underwriting the Let Teachers SHINE competition for the next five years, enabling us to grow and build a base for supporting our teachers long-term.
- Our coverage extended across many of the most deprived areas in the North of England, supporting the children who need it most.

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Our report against the objectives we set last year is below.

Objective 1 - Identify up to 10 areas of the North where SHINE could look to make a more strategic impact.

SHINE conducted a review of available data on deprivation and educational outcomes, to identify areas where we could make a more strategic impact. This data was mapped against SHINE's current programme reach. In addition, other factors were considered, such as whether an area had a significant body of existing interventions, and the presence of local leaders or potential partners to catalyse and co-ordinate change. In the next phase, SHINE will clearly identify the role we wish to play in leveraging strategic impact in areas of need, and seek to take the next steps in establishing local partnerships.

Objective 2 - Develop a new website for Let Teachers SHINE to promote the competition using relatable stories from previous winners.

We have developed a bespoke section of the website for Let Teachers SHINE, which provides information on the competition as well as engaging and relatable stories from current winners. By developing the communications story behind an intervention from the very earliest stage of our grantees' journey with SHINE, we have been able to connect with and celebrate our winners, and involve them in helping to engage future applicants.

Objective 3 - Build on SHINE's presence as an influencer in the education debate in the North, and work with aligned partners to advocate for broader policy changes as needed.

SHINE has seen our media presence increase significantly this year, becoming a go-to voice for education, particularly in the North, and particularly for our most disadvantaged children. This academic year has seen SHINE called upon to provide long-form comment pieces for regional news, quotes for high-profile and emerging stories in education, and insights on our projects and work. We have also developed a more regular blogging presence on our website, and contributed to shared statements for publication. SHINE continues to be involved in consultations and panels, and to provide speakers for high-profile conferences, further cementing our place as a prominent voice for and advocate of teachers, children and the education community in the North of England.

Objective 4 - Develop new funding partnerships to catalyse impact beyond our direct means.

We have successfully secured long-term funding for our Let Teachers SHINE competition, allowing us to build a base from which to support our teachers through the development stages of their interventions, and nurture them to scale.

Though events and other direct points of contact have been difficult during the COVID-19 pandemic, we have continued to nurture relationships with partners who share SHINE's vision, connecting them with SHINE's work. We hope to deepen and develop these partnerships in the coming academic year.

Objective 5 - Review the governance arrangements for the charity and seek new skills and experience to add to the Board.

Following a review of the governance relationships for SHINE, the following steps were taken:

- SHINE moved to a fixed-term arrangement for trustees, enabling SHINE to honour its commitment to refreshing and updating the skills and expertise on the board, while maintaining sufficient long-term stability. Trustees will serve a first term of five years and a second term of four years, and retirements will be considered at the March board meeting.
- Kavita Gupta was appointed to the Board, to lead on SHINE's financial governance.

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STRATEGIC REPORT

FINANCIAL REVIEW

The results for the year are set out on page 14 of the financial statements. The net incoming resources for the year after net investment gains are £201,127 (2020: net incoming resources £2,084,541).

The result for the year reflects the continued support of our funders following the substantial additional funds raised in the prior year for multi-year partnerships secured in that year, together with a substantial increase in value of the expendable endowment reflecting the positive stock market movements during the financial year. This positive inflow of funds combined with SHINE's expendable endowment value of almost £6.2m at the year end, places our charity in a robust financial position for the future.

The trustees are grateful to the large number of individuals, companies, trusts and foundations who have generously supported SHINE in the last year. Our special thanks to the following partners and supporters in 2020-21:

The Bedford Family Foundation, Dawn Capital, French Huguenot Church of London Charitable Trust, the Grace Trust, John Armitage Charitable Trust, John Horseman Trust, Nerd Nite, the Ogden Trust, Orbis Investments and Allan and Gray Philanthropy, Teachers Group Educational Trust and TES.

In addition, SHINE is grateful to the Steve Morgan Foundation for co-funding a major partnership with us in North Birkenhead this year.

Principal risks

The trustees have a risk management strategy which comprises: an annual review of the principal risks and uncertainties that the charity faces, the establishment of policies, systems and procedures to mitigate those risks, and the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise. A summary of the main risks and their mitigation are outlined below.

Major data protection breach

- Policy agreed by the Board
- Registered with Information Commissioners Office
- Retainer with specialist consultant to uphold compliance
- IT security maintained through contractor
- Staff aware of data breach risks
- Bimonthly data protection review

Lack of liquidity to cover cash flow needs

- Investment policy agreed by the Board
- Sufficient levels of liquidity maintained within the overall investment portfolio
- Committee meets and reviews cashflow regularly

Internal Fraud (theft or misappropriation of funds)

- Expenditure / cheque signatory authorisation limits set by the bank and agreed by the Board
- Annual budget approved by the Board, and performance measured vs. the budget at regular intervals
- Written statement of policy and practice on income receipt (donations) and payment procedures (invoices, expenses, petty cash) exists, and these procedures are clarified during staff induction
- Comprehensive financial records maintained

Unsatisfactory fundraising returns

- Maintain high standards, brand quality and good reputation through contact with donors.
- Active involvement of the Board
- Profile and broaden the donor base
- Clear understanding and communication of our purpose and impact as a charity
- Development and implementation of a fundraising plan
- Regular reporting to the Board against targets

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In April 2020, Trustees agreed an updated extraordinary Risk Register to include the key risks posed by COVID-19. This was reviewed again in June 2021, and many risks were found to have decreased. The following additional procedures were implemented in this financial year:

- SHINE staff agreed to maintain close relationships and contact with key supporters.
- SHINE's updated Data Protection and Health and Safety policies for home working remained in place.
- Any additional workload demands on the team were assessed based on the assumption of 60-70% staff capacity.
- SHINE staff maintained a flexible approach to project delivery and timescales to reflect the changed external environment.

These mitigation measures were successful in managing the key risks for the charity and the crisis did not impact on SHINE's ability to continue its core functions in any significant way.

Reserves

Excluding restricted funds, which are used to pay for anticipated overheads, the trustees oversee investments of £6,197,864 (2020: £5,667,718), the majority of which comprise the expendable endowment funds. The trustees regard the level of the endowment as sufficient:

- to make up for any shortfall in budgeted income in a particular year; and
- to cover any unbudgeted expenditure which may become necessary.

This policy, which is designed to ensure that SHINE can meet these eventualities in any financial year, is reviewed by the trustees on a regular basis. Additionally, SHINE's annual administrative, management and staff costs will continue to be met in full by donations from certain trustees and from unrestricted reserves held in the expendable endowment. This allows every penny of every non-trustee donation to reach the projects we fund. The financial statements include donations totalling £635,000 (2020: £340,000) within restricted funds towards these expenses.

Net funds increased by £201,127 this year, ending at £6,659,840 compared with £6,458,713 at 31 August 2020. This year marked an increase in new grant expenditure to school-based projects and partners, following a period where SHINE committed to standing shoulder-to-shoulder with our existing collaborators, and worked to develop new on-the-ground partnerships to address the greatest challenges facing key geographies in the North. We continued our focus this year on developing long-term, sustained partnerships, to continue to secure successful multi-year commitments to our programmes, creating a sustainable basis for our critical work with schools, teachers, young people and their families. Through such sustained relationships, working with those who share our vision to improve life outcomes for our most disadvantaged children, we have moved significantly forward on our ambition to catalyse at least £25 million into education in the North by 2025.

Investment

All monies will be invested in accordance with SHINE's Articles of Association. The Finance Cluster monitors the endowment alongside our commitments to funding projects. The trustees acknowledge that investment market movements could impact the endowment and that this is not within our control. The committee has overseen the successful management of these funds through our various fund managers. The Trustees use asset allocation and diversification to achieve a balance between capital preservation and capital appreciation.

The estimated total return on the investment portfolio, net of fees, for the financial period was 14.5%. Trustees continued to monitor SHINE's investment performance more closely for market volatility due to COVID-19, to ensure that any necessary changes could be expedited quickly if required. In the event, SHINE's investments continued to perform well given the external environment and no such changes took place.

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On a rolling one-year basis, it is the intention of the Trustees to hold all monies committed to projects, net of related co-funding commitments, for the subsequent 12 months in 'safe', liquid interest bearing bank deposits, short dated gilt-edged or corporate securities, or in funds who invest in such strategies, with a maturity profile reasonably matched to the disbursement schedule. The target asset allocation for SHINE's investments is as follows:

Cash and equivalents	5-15%
Current income / hedge funds	15-45%
Equity related	40-75%

Fundraising

SHINE adopts a values-led approach to fundraising. We do not utilise external contractors for fundraising, except for occasional prospect research, and we do not use direct marketing techniques which could unfairly target vulnerable people or contravene their right to privacy. SHINE is registered with the Fundraising Regulator. We received no complaints in the last financial year about our fundraising activities.

PLANS FOR FUTURE PERIODS

The trustees have set a number of objectives for the following year:

- Develop a strategy for SHINE's impact in areas with the greatest need, understanding the role SHINE can best play in working with partners in the most disadvantaged geographies of the North.
- Develop our approach to evaluation, to understand our impact at a broader and collective level, as well as on a project-by-project basis.
- Create an 'alumni network' for Let Teachers SHINE, building on our relationships with current and previous winners to engage and support new grantees.
- Build on our existing learning about taking successful projects to scale, developing clearer and more structured pathways for impactful interventions and practice to reach more children and schools across the North.
- Continue to develop new funding partnerships to catalyse impact beyond our direct means; and
- Seek new skills and experience to add to the Board, particularly focusing on building networks in the North of England.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who is a trustee at the date of approval of this report confirms that:

- So far as the trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustee has taken all steps that he/she ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

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STRATEGIC REPORT

AUDITORS

A resolution to appoint auditors for the next financial year will be proposed at the next Annual General Meeting in September 2022.

This trustees report, which incorporates the Strategic Report, was approved by and signed on behalf of the board of trustees on March 2022.



Cameron Ogden
Chairman

SHINE: Support and Help IN Education

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHINE: Support and Help IN Education

Opinion

We have audited the financial statements of Shine: Support and Help In Education (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities (including the Income and Expenditure account), the Balance Sheet, the Statement of Cash Flows and the related notes, 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 charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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 Annual Report, other than the financial statements and our Auditors' Report thereon. 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHINE: Support and Help IN Education (CONTINUED)

Opinion 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 Strategic Report and 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.
- the Strategic Report and the Directors' Report included within the Trustee's report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement on page 4, 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, and noncompliance with laws and regulations, our procedures included the following: enquiring of management concerning the charitable company's policies with regards identifying, evaluating and complying with laws and

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHINE: Support and Help IN Education (CONTINUED)

regulations and whether they were aware of any instances of non-compliance; enquiring of management concerning the charitable company's policies detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; enquiring of management concerning the charitable company's policies in relation to the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations; discussing among the engagement team where fraud might occur in the financial statements and any potential indicators of fraud; and obtaining an understanding of the legal and regulatory framework that the charitable company operates in and focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the charitable company. The key laws and regulations we considered in this context included the UK Companies Act 2006, the Charities Act 2011 and applicable tax legislation.

One particular focus area was the risk of fraud through management override of controls. Our procedures to respond to risks identified included the following: performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; reviewing the bank statements of the charitable company for evidence of any large or unusual activity which may be indicative of fraud; enquiring of management in relation to any potential litigation and claims; and testing the appropriateness of journal entries and other adjustments.

Another focus area was non-compliance with the rules of the Charity Commission. The charitable company was authorised and regulated by the Charity Commission throughout the period. Our procedures to respond to risks identified included the following: reviewing correspondence between the charitable company and the Charity Commission; reviewing in detail the grants made by the charitable company during the period; and discussion of regulatory matters with the appointed officers of the charitable company.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify noncompliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Auditors' 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 Auditors' 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Alexander Macpherson (Senior Statutory Auditor)
for and on behalf of
Blick Rothenberg Audit LLP
Statutory auditor
16 Great Queen Street
London
WC2B 5AH

2022

SHINE: Support and Help IN Education

Report and Financial Statements 2021

Statement of Financial Activities Including Income and Expenditure Account For the year ended 31 August 2021

	Note	Unrestricted 2021 £	Restricted 2021 £	Expendable Endowment 2021 £	Total 2021 £	Total 2020 £
Income and expenditure account						
Income resources						
Incoming resources from generated fund:						
Voluntary income						
Gifts and donations		162,754	1,077,795	-	1,240,549	4,747,098
Investment income	2	-	-	-	-	4,451
Total incoming resources		<u>162,754</u>	<u>1,077,795</u>	<u>-</u>	<u>1,240,549</u>	<u>4,751,549</u>
Resources expended						
Costs of generating funds:						
Costs of generating voluntary income		-	144,804	-	144,804	244,040
Charitable activities:						
Grant-making		-	1,814,521	-	1,814,521	2,667,743
Total resources expended	4	<u>-</u>	<u>1,959,325</u>	<u>-</u>	<u>1,959,325</u>	<u>2,911,783</u>
Net gains on investments	9	<u>-</u>	<u>-</u>	<u>919,903</u>	<u>919,903</u>	<u>244,775</u>
Net income/(expenditure)		<u>162,754</u>	<u>(881,530)</u>	<u>919,903</u>	<u>201,127</u>	<u>2,084,541</u>
Transfers between funds		<u>(162,754)</u>	<u>-</u>	<u>162,754</u>	<u>-</u>	<u>-</u>
Net movement in funds for the year		<u>-</u>	<u>(881,530)</u>	<u>1,082,657</u>	<u>201,127</u>	<u>2,084,541</u>
Total funds brought forward		<u>-</u>	<u>1,536,717</u>	<u>4,921,996</u>	<u>6,458,713</u>	<u>4,374,452</u>
Total funds carried forward	12	<u>-</u>	<u>655,187</u>	<u>6,004,653</u>	<u>6,659,840</u>	<u>6,458,713</u>

All of the above results are derived from continuing activities. The charitable company has no other comprehensive income other than those stated above in the current and preceding year.

Comparative information for the previous financial year is provided at Note 7.

All support costs, including the salaries of the SHINE staff team, are met by specific donations from the trustees so that all other income goes directly to grant funding for projects.

The notes on pages 17 to 26 form an integral part of these financial statements.

SHINE: Support and Help IN Education

Report and Financial Statements

Balance Sheet

As at 31 August 2021

	Note	Unrestricted 2021 £	Restricted 2021 £	Expendable Endowment 2021 £	Total 2021 £	Total 2020 £
Fixed Assets						
Tangible assets	8	-	6,892	-	6,892	4,587
Investments	9	-	-	6,197,864	6,197,864	5,667,717
Total fixed assets		-	6,892	6,197,864	6,204,756	5,672,304
Current Assets						
Debtors	10	-	3,196,994	41,164	3,238,158	3,341,789
Cash at bank and in hand		-	1,204,284	(234,375)	969,909	1,318,210
Total current assets		-	4,401,278	(193,211)	4,208,067	4,659,999
Liabilities						
Creditors: Amounts due within one year	11	-	(2,021,658)	-	(2,021,658)	(1,918,387)
Net current assets/ (liabilities)		-	2,379,620	(193,211)	2,186,409	2,741,612
Total assets less current liabilities						
Creditors: Amounts due after more than one year	11	-	(1,731,325)	-	(1,731,325)	(1,955,203)
Net assets		-	655,187	6,004,653	6,659,840	6,458,713
The Funds of the Charity						
Expendable endowment funds						
- Undesignated	12	-	-	5,965,641	5,965,641	4,849,436
- Designated	12	-	-	39,012	39,012	72,560
Restricted income funds	12	-	655,187	-	655,187	1,536,717
Unrestricted funds	12	-	-	-	-	-
Total charity funds		-	655,187	6,004,653	6,659,840	6,458,713

These financial statements were approved and authorised for issue by the Board of trustees
on 2022.

Signed on behalf of the Board of trustees



Cameron Ogden
Chairman

The notes on pages 17 to 26 form an integral part of these financial statements.

SHINE: Support and Help IN Education

Report and Financial Statements

Statement of Cash Flows

Year ended 31 August 2021

	2021 £	2020 £
Reconciliation of net income/(expenditure) to net cash flows from operating activities		
Net income/(expenditure)	201,127	2,084,541
Adjustments for		
Depreciation of tangible assets	2,375	1,457
Interest receivable	-	(4,451)
(Gains) on investments	(919,903)	(244,775)
Decrease/(increase) in debtors	103,630	(2,290,129)
(Decrease)/increase in creditors	(120,607)	1,094,687
Net cash inflow / (outflow) from operating activities	<u>(733,378)</u>	<u>641,330</u>
Cash flow statement		
Net cash (outflow) from operating activities	<u>(733,378)</u>	<u>641,330</u>
Net cash transferred from/(to) investment portfolio	147,167	-
Proceeds on sale of investments	249,171	59,449
Purchase of fixed assets	(4,767)	(1,079)
Proceeds of fixed asset disposals	86	-
Purchase of investments	(6,580)	(175,520)
Net cash inflow from investing activities	<u>385,077</u>	<u>(117,150)</u>
(Decrease)/increase in cash	(348,301)	524,180
Cash and cash equivalents at 1 September 2020	<u>1,318,210</u>	<u>794,030</u>
Cash and cash equivalents at 31 August 2021	<u>969,909</u>	<u>1,318,210</u>
Analysis of cash and cash equivalents		
Cash at bank and in hand	<u>969,909</u>	<u>1,318,210</u>

The notes on pages 17 to 26 form an integral part of these financial statements.

SHINE: Support and Help IN Education

Report and Financial Statements

Notes to the Financial Statements

Year ended 31 August 2021

1. Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (effective 1 January 2019) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities SORP FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. SHINE meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, with the exception of fixed asset investments, which are re-measured at fair value.

Charitable status and general information

SHINE is a charity registered at the Charity Commission and a company limited by guarantee incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is provided on page 2 and details of the principal activities are discussed in the Trustees' Report.

Income accounting policy

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company.

Endowment funds relate to funds donated where the capital is retained and the income is for use by the trustees in furthering the objects of the charitable company. Where the trustees have a right to utilise capital, these funds are shown as expendable endowments. Where the trustees have designated such funds for the award of grants, but these have not yet been formally awarded to specific beneficiaries, they are recognised as designated expendable endowments.

Restricted funds comprise those funds which are subject to specific conditions imposed by donors or by the purpose of the appeal. All income and expenditure is shown in the Statement of Financial Activities.

Judgements and estimates

The accounts are prepared on an accruals basis. Multi-year grant commitments are accrued in full in the financial year that they are awarded.

SHINE: Support and Help IN Education

Report and Financial Statements

Notes to the Financial Statements

Year ended 31 August 2021

1. Accounting policies - continued

Resources expended

Charitable expenditure comprises expenditure related to the direct furtherance of the company's charitable objectives. They include support costs and those incurred in connection with the management of the charitable company's assets and organisational administration.

Fundraising activity costs are those incurred in seeking voluntary contributions for the charitable company and in publicising the charitable company.

Grants awarded are shown in the Statement of Financial Activities, notwithstanding that a proportion will be paid in future accounting periods and may be conditional on future performance by the grantee.

Governance costs comprise all costs identified wholly or mainly attributable to ensuring the public accountability of the charity and its compliance with regulation. These costs have been allocated as support costs to fundraising activities and grant administration in proportion to the related staff time.

Tangible fixed assets

Tangible fixed assets are stated at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Office equipment - 5 years

Subsidiary

The charity operated as a wholly owned subsidiary called SHINE: Support and Help IN Education Trading Limited, company number 09124560, established in England and Wales. The subsidiary did not trade in 2020 and was dissolved on 18 May 2021.

Investments

Listed investments are stated at fair value as at the balance sheet date. The value of investments are determined by the valuations submitted monthly by the managers of the individual investments. The Statement of Financial Activities includes realised and unrealised gains and losses arising from the revaluation of the investment portfolio throughout the year. Disclosure is made in note 9 of the movement in market value of the investments during the year. The investments were wholly in Managed Funds.

SHINE: Support and Help IN Education

Report and Financial Statements

Notes to the Financial Statements

Year ended 31 August 2021

1. Accounting policies - continued

Other financial instruments

Other financial instruments arise directly from the company's charitable activities.

All trade and other debtors are initially recognised at transaction value, as none contain in substance a financing transaction. Thereafter trade and other debtors are reviewed for impairment where there is objective evidence based on observable data that the balance may be impaired. No collateral is held against trade and other receivables so the exposure to credit risk is the net balance of trade and other debtors after allowance for impairment.

The company's cash holdings comprise on demand balances only. All cash is held with banks with strong external credit ratings. Cash held to meet medium term grant commitments is classified fixed asset investments as part of the charitable company's expendable endowment.

Trade and other creditors and accruals are initially recognised at transaction value as none represent a financing transaction. They are only derecognised when they are extinguished.

Pensions

For defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other post-retirement benefits in the amount of contributions payable in the year. Differences between contributions payable in the year and contributions actually paid in the year are shown as either accruals or prepayments in the balance sheet.

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the profit and loss account.

2. Investment income

	2021 £	2020 £
Interest and dividends	-	4,451

3. Net income

	2021 £	2020 £
Net income is stated after charging:		
Auditors' remuneration for audit services	17,700	17,700
Operating lease costs	-	27,757
Depreciation (see note 9)	2,375	1,457

SHINE: Support and Help IN Education

Report and Financial Statements

Notes to the Financial Statements

Year ended 31 August 2021

4. Total resources expended

	Staff costs £	Grants £	Other direct costs £	Total 2021 £	Total 2020 £
Costs of generating funds					
Fundraising activities	-	-	-	-	98,580
Support costs	114,924	-	8,620	123,544	125,158
Governance costs allocated	8,841	-	12,419	21,260	20,302
	123,765	-	21,039	144,804	244,040
Charitable expenditure					
Grants	-	1,501,043	-	1,501,043	2,355,078
Support costs	196,329	-	80,831	277,160	277,982
Governance costs allocated	15,102	-	21,216	36,318	34,683
	211,431	1,501,043	102,047	1,814,521	2,667,743
Total	335,196	1,501,043	123,086	1,959,325	2,911,783

The allocation of staff costs and governance costs between activities is on the basis of an apportionment of staff time.

Total governance costs for the year were £57,577 (2020: £54,985).

	2021 £	2020 £
Grants		
Outstanding liabilities at 1 September	3,844,080	2,707,178
New grants awarded during the year	1,559,174	2,952,921
Overspend/(underspends)	(58,131)	(75,933)
Paid during the year	(1,627,237)	(1,740,086)
 Outstanding liabilities at 31 August	 3,717,886	 3,844,080
 Awards falling due within one year	 1,986,561	 1,888,887
Awards falling after more than one year	1,731,325	1,955,203
 3,717,886	 3,844,080	

SHINE: Support and Help IN Education

Report and Financial Statements

Notes to the Financial Statements

Year ended 31 August 2021

4. Total resources expended - continued

Grants: the trustees take decisions on applications based on the recommendations of the executive team. All grants approved in the period are listed below.

	2021 £		2020 £
Active Phonics	875	Boromi	15,000
Ad Astra Academy Trust	52,080	Character Counts Easy Peasy	5,000
Amy How Limited	7,725	Clapgate Primary School	13,640
Astrea Academy Trust	99,111	Lightning Maths	30,469
Beckfoot Trust	80,742	Oxford Youth Lab (Right to Succeed)	2,661,172
Bishop Hogarth Education Trust	9,750	Spelling Beats CIC	132,652
Bispham Endowed CE Primary School	17,430	St Paul's C of E Primary School	40,000
Bootham School	25,875	Support Costs for teacher	7,500
Boromi	10,875	University of Manchester	2,000
BWB	5,549		
Corrie Primary School	62,946	Watercliffe Meadow Primary School	15,078
Craven College	23,375	Wyvern College	30,410
Dowdales School	90,000		
Drapers Brookside Junior School	19,675		
Eastward Community Primary School	52,000		
Educational Diversity	3,375		
Endeavour Academies Trust	74,000		
Fallinge Park High School	49,453		
Hull Collaborative Academy Trust	94,955		
Lightning Maths Limited	875		
Luminate Education Group	3,875		
Morecambe Bay Community Primary	37,997		
Moston Fields Primary School	25,875		
NEAT	57,341		
Nicholas Postgate Catholic Academy	23,500		
Oldham Sixth Form College	16,875		
Parklands County Primary School	25,875		
Reid Street Primary School	40,023		
Sacred Heart Catholic High School	90,000		
School 21 Foundation	12,996		
School for Social Entrepreneurs	26,000		
Spelling Beats CIC	20,000		
St Patricks RC High School	78,940		
St Paul's C of E Primary School	990		
The Spencer Academies Trust	875		
Three Saints MAT	99,250		
Throston Primary School	3,875		
University of Manchester	4,500		
White Rose	23,355		
Whitefield Primary School	50,000		
Wise Owl Trust	100,000		
Worsborough Common Primary	15,000		
Wyvern College	21,366		
Gross awards	1,559,174	Gross awards	2,952,921

SHINE: Support and Help IN Education

Report and Financial Statements

Notes to the Financial Statements

Year ended 31 August 2021

4. Total resources expended (continued)

Less – underspends and adjustments in respect of previous year awards

Underspends	(58,131)	(75,933)
Grants repaid	-	(500,000)
Accrual reversal and other adjustments	-	(21,910)
Net grants recognised	1,501,043	2,355,078

5. Staff costs

	2021	2020
	£	£
Wages and salaries	289,448	268,211
Social security costs	30,347	27,696
Pension costs	15,401	16,870
	335,196	312,777

Pension costs represent the charitable company's contribution to the defined contribution personal pension plans of employees. The number of employees, analysed by function was:

	2021	2020
	Number	Number
Generating funds	2	2
Grant making	4	4
Governance	3	1
	9	7

Number of staff who earned between:

£60,001 - £70,000 (pro-rata)	1	1
	=====	=====

Key management personnel received aggregate remuneration of £72,378 (2020: £72,198) in the period. This figure is inclusive of salary, social security costs and employer's pension contributions.

6. Taxation

As a registered charity, SHINE is exempt from taxation of income and gains falling within Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent these are applied to its charitable purposes. No tax charge has arisen in the year.

SHINE: Support and Help IN Education

Report and Financial Statements

Notes to the Financial Statements

Year ended 31 August 2021

7. Comparative information – statement of financial activities 2020

Year ended 31 August 2020

	Unrestricted 2020 £	Restricted 2020 £	Expendable Endowment 2020 £	Total 2020 £
Income and expenditure account				
Incoming resources				
Incoming resources from				
Voluntary income				
Other gifts and donations	733,950	4,013,148	-	4,747,098
Sponsorship				
Investment income	4,451	-	-	4,451
Total incoming resources	738,401	4,013,148	-	4,751,549
Resources expended				
Costs of generating funds:				
Costs of generating voluntary income	-	244,040	-	244,040
Charitable activities:				
Grant-making	20,708	2,647,035	-	2,667,743
Total resources expended	20,708	2,891,075	-	2,911,783
Net gains on investments	-	-	244,775	244,775
Net income/(expenditure)	717,693	1,122,073	244,775	(687,431)
Transfers between funds	(717,693)	-	717,693	-
Net movement in funds for the year	-	1,122,073	962,468	2,084,541
Total funds brought forward	-	414,644	3,959,528	4,374,172
Total funds carried forward	-	1,536,717	4,921,996	6,458,713

SHINE: Support and Help IN Education

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Notes to the Financial Statements

Year ended 31 August 2021

8. Tangible assets

	Office equipment £	Total £
Cost		
At 1 September 2020	22,186	22,186
Additions	4,767	4,767
Disposals	(88)	(88)
At 31 August 2021	26,865	26,865
 Depreciation		
At 1 September 2020	17,599	17,599
Disposals	(88)	(88)
Charge for period	2,462	2,462
At 31 August 2021	19,973	19,973
 Net book value		
At 31 August 2021	6,892	6,892
 At 31 August 2020	4,587	4,587

SHINE: Support and Help IN Education

Report and Financial Statements

Notes to the Financial Statements

Year ended 31 August 2021

9. Fixed asset investments

Investments analysis

	2021 £	2020 £
<u>Listed investments and funds valued by reference to such investments (domicile)</u>		
Egerton Capital Equity Fund (Ireland)	1,777,738	1,438,593
Bridges Community Development (BCD) Venture Fund III (UK)	143,245	208,193
Magnitude International Class F (Cayman Islands)	1,187,314	1,076,937
CF Ruffer Total Return Fund (UK)	917,245	810,157
Veritas	1,395,221	1,183,211
 Market value of listed investments	 5,420,763	 4,717,091
 <u>Other investments</u>	 	
Blackrock Sterling Liquidity First (Ireland)	777,101	950,626
 Total investments	 6,197,864	 5,667,717

Further analysis of listed investments:

	2021 £	2020 £
Market value brought forward	4,717,091	4,464,573
Purchased during year	95	8,596
Sales / realisations during year	(216,243)	(853)
Net gain on revaluation	919,820	244,775
 Market value at	 5,420,763	 4,717,091

Total net gain on revaluation equates to £919,820 above, less movement on other investments of £83 totalling £919,903.

Historical cost at	3,463,863	3,463,768
Accumulated unrealised investment gains at	1,956,899	1,253,323

10. Debtors

	2021 £	2020 £
Prepayments and other debtors	3,238,158	3,341,789

Prepayments and other debtors due within one year are £2,180,039 (2020: £1,765,940) and more than one year are £1,058,119 (2020: £1,575,849).

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Report and Financial Statements

Notes to the Financial Statements
Year ended 31 August 2021

11. Creditors

	2021 £	2020 £
Grant commitments due within one year	1,988,710	1,888,877
Taxation and social security costs	6,665	6,984
Other creditors	2,583	3,576
Accruals	23,700	18,950
 Amounts due within one year	 2,021,658	 1,918,387
 Grant commitments due after more than one year	 1,731,325	 1,955,203

Creditors will be met from the expendable endowment if there are insufficient income funds in the future.

12. Statement of funds

	Balance 1 Sept 2020 £	Incoming resources £	Outgoing resources £	Net investment gains £	Transfers £	Balance 31 August 2021 £
Expendable Endowment:						
- Undesignated	4,849,436	-	-	919,903	196,302	5,965,641
- Designated	72,560	-	-	-	(33,548)	39,012
Restricted funds:						
Operating and projects	1,536,717	1,077,795	(1,959,325)	-	-	655,187
Unrestricted funds	-	162,754	-	-	(162,754)	-
 Total funds	 6,458,713	 1,240,549	 (1,959,325)	 919,903	 -	 6,659,840

Included within the expendable endowment are net unrealised gains and losses on the revaluation of fixed asset investments. Details are shown above in note 9.

The designated expendable endowment balance relates to funds designated for grants by the trustees at the balance sheet date, but not formally awarded to specific beneficiaries.

13. Trustees and related party disclosures

During the period the Charity received £635,000 (2020: £340,000) in donations from trustees and honorary office holders. One trustee was reimbursed for travel and subsistence expenses totalling £595 (2020: £533).