
THE SMALLPEICE TRUST

**ANNUAL REPORT
AND FINANCIAL STATEMENTS
for the year ended 31 August 2024**

**Company Registration No. 882371
Registered Charity No. 313719**

THE SMALLPEICE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

31 August 2024

Charity Name: The Smallpeice Trust

Registered charity number: 313719

Company registered number: 882371

Directors (trustees): The Trustees who held office during the period, and at the date the Trustees' report was approved, were:

Dr Alan Begg - Chairman (resigned 7 September 2023)
Prof Alison Halstead – Chairman (from 7 September 2023)
Mr Trevor Gill
Mr Gavin Thompson
Mrs Glynis Dean
Ms Jacqueline Newsome
Mr Abiram Ganeshanathan
Mr Graham Heaven
Mr Andrew Parker
Ms Fatemeh Dehghan
Mr Stephen Robins (appointed 3 January 2024)*

Principal members of staff: Mr Stephen Robins – Interim Chief Executive (appointed 18 July 2023, retired 8 December 2023)*
Ms Helen Cuthill – Chief Executive (appointed 2 January 2024)
Ms Lisa Foster - Chief Transformation Officer
Ms Caroline Broadway – Director of Engagement (ceased 4 April 2024)
Mrs Deborah Austin – Director of Internal Operations (appointed 1 September 2023)

Registered office: Holly House
74 Upper Holly Walk
Leamington Spa
CV32 4JL

Bankers: Lloyds TSB Bank Plc
73 The Parade
Leamington Spa
CV32 4BB

Solicitors: Acuity Law
103 Colmore Row
Birmingham
B3 3AG

Auditors: Dains Audit Limited
2 Chamberlain Square
Paradise
Birmingham
B3 3AX

Investment Managers: CCLA Investment Managers Limited
One Angel Lane
London
EC4R 3AB

*Mr Stephen Robins stepped down as interim CEO on 8 December 2023 to return to the role of trustee

THE SMALLPEICE TRUST

CHAIRMAN'S REPORT

31 August 2024

This past year, the Trust has continued to make a significant impact in inspiring young people to pursue careers in engineering and related disciplines. There have been over 65,000 young people engaged across our programs. The strong commitment to gender diversity has been maintained with a female participation at 55%. June saw the launch of an inaugural partner event, where the findings from our *Science, Technology, Engineering and Maths (STEM) for Girls* initiative were presented. These insights have guided the enhancement of the content of programs for the upcoming 2024/25 period.

2024 saw the arrival of the new CEO Helen Cuthill, who quickly established herself and set a clear vision for the future:

"Through STEM, inspire the young people of today to become the changemakers of tomorrow."

With this vision in mind, the new mission has been defined as follows:

"To inspire young people from all backgrounds to engage in STEM through engaging, sustainable, and educational activities delivered by passionate experts and partners."

Under the new CEO the Trust has been restructured to ensure greater focus and efficiency within each department. The newly formed *Schools STEM* team now focuses on delivering impactful STEM experiences to schools on a national scale. The *Community Team* integrates the Arkwright and Course programs with an expanded reach to support young people who may be disengaged from traditional education systems. In addition, a *Content and Impact* team has been established to drive content creation, impact research, and reporting.

The development of the 2024/2025 strategy followed the reorganisation and enabled all staff, scholars and alumni to input. Aligned with this strategic foundation a number of experimental pilots have been designed to encourage innovation, stretching the Trust to explore new possibilities and solidify our strategic approach. The experimental nature of these pilots will foster a cycle of development, experimentation, and integration, positioning the Trust for sustained success in the years ahead.

As we look toward the next 12 months, I am optimistic about the future and excited to witness the Trust's progress and growth under this renewed vision and direction.

Professor Alison Halstead
Chairman, The Smallpeice Trust



THE SMALLPEICE TRUST

TRUSTEES REPORT

31 August 2024

The trustees, who are the directors of the charitable company, present their report and the financial statements for the year ended 31 August 2024 which are also prepared for the purpose of meeting the requirements for a directors report and accounts for Companies Act purposes. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

OBJECTIVES AND ACTIVITIES

The trustees have taken note of and acted upon the Charity Commission guidance on Public Benefit in determining the Policies, Aims and Objectives of the Trust, details of which are stated throughout the Trustees' Report.

The vision of The Smallpeice Trust is to inspire increasing numbers of young people to acquire life, leadership and engineering skills, in order to increase the number of engineers, to enable society to solve the problems of tomorrow.

We aim to increase the number of students entering professional engineering careers, which can be accessed by Level 3+ qualifications (Level 3 includes advanced apprenticeships and T Levels). The Trust's activities target students aged 8 – 18 years and are specifically designed to inspire, inform and influence them regarding engineering careers.

The outcomes we seek via our activities are young people that:

1. are enthusiastic in science and maths subjects
2. consider engineering as a career through additional research
3. seek extra-curricular opportunities to build their knowledge of engineering
4. investigate how the manufactured world works (are curious about how things work)
5. choose Science, Technology, Engineering and Mathematics (STEM) subjects post-16

We have three programmes of activities:

1. STEM Programmes, including:
 - a. STEM Challenge Days: Trust led full day or half day hands on activities, delivered face to face or virtually
 - b. Bespoke programmes: using a mix of current products and bespoke elements to meet funder requirements, some programmes are fully bespoke e.g. the teacher led Coding Success.
2. Courses: Out of school, week-long courses for 12 – 17-year olds that enable students to engage in hands-on challenges working alongside role model engineers in order to help them make informed decisions about engineering as a career, and regarding potential pathways.
3. Arkwright Engineering Scholarships: a 2-year programme for 16-18 years old that have been identified by the Trust's rigorous selection process as being high potential future leaders in engineering.

The Trust constantly seeks new and additional partners to support its work.

STRUCTURE GOVERNANCE AND MANAGEMENT

Governing instrument

The charity is a company limited by guarantee and not having a share capital. As such it is governed by its Memorandum and Articles of Association. It was incorporated on 28 June 1966.

Members

⁵The subscribers to the Memorandum of Association and other persons elected by the trustees shall, with their agreement be admitted to membership of the company. The number of members is generally limited to fifty but the trustees have the power to increase this number from time to time. The liability of members is Limited to £1 each.

THE SMALLPEICE TRUST

TRUSTEES REPORT

31 August 2024

STRUCTURE GOVERNANCE AND MANAGEMENT (CONTINUED)

Trustees

The trustees of the charity are the directors of the company. The first directors were nominated by the subscribers to the Memorandum of Association. The trustees have the power to appoint any person to be a director and remove any director from office. The minimum number of directors is two and the maximum is eleven. The number of directors can be increased by agreement with the trustees.

There is a standing request for trustees to nominate, to the Chairman, people who are thought suitable to become trustees. If agreed appropriate, the Chairman then invites such people to apply to become a Trustee in line with the Trust's recruitment policy and procedure, including the appropriate safer recruitment checks for the role of Trustee.

The trustees seek a cross section of people with a good balance of skills and experience with a view to obtaining a Board of Trustees able to effectively govern the charity and particularly develop its activities and move it forward to meet changing needs.

The trustee appointment process includes a detailed introduction to the work of the Trust by the Executive Team and Senior Management Team; the role and responsibilities of a director and trustee are explained by the chair of the Board and an induction pack provided with information about the Trust and further guidance to support new trustees.

When appropriate the trustees consult with the charity's Solicitors, Auditors and Investment Advisers for professional advice. The charity's professional advisers provide regular newsletters and technical updates which are available for all trustees, as are all appropriate new publications appearing on the Charity Commission website.

The trustees who held office during the period and at the date of this report are shown in the legal and administrative information on page 1.

The Trust had during the period four sub-committees of trustees:

1. Finance Audit and Compliance
2. Human Resources and Remuneration
3. IT and Processes
4. Strategic Implementation

These sub-committees have been established by the trustees and are appointed to make recommendations to the board.

Change in Trustees

Mr Stephen Robins resigned as a Trustee on 18 July 2023 to take up the role of our interim CEO until the 8 December 2023, before returning to his post as trustee on 3 January 2024 and Dr Alan Begg resigned as a Trustee on 7 September 2023.

Management

Day to day management of the charity is delegated to the Chief Executive and her staff who operate within plans and financial budgets agreed with the trustees. The Chief Executive also regularly consults with and takes advice from the charity's professional advisers.

Setting of Key Management Personnel Remuneration

The Smallpeice Trust's Human Resources and Remuneration subcommittee (a working group of trustees) oversees the remuneration of the Trust's executive team and establishes market rates consistent with our sector. The Trust's appraisal process establishes colleagues' aspirations for their career and how the Trust can support this achievement.

THE SMALLPEICE TRUST

TRUSTEES REPORT (continued)

31 August 2024

STRUCTURE GOVERNANCE AND MANAGEMENT (CONTINUED)

Principal risk and uncertainties

Working with The Smallpeice Trust's executive team, the Board of Trustees undertakes an annual review of strategic risks and these assessments are recorded in a register in decreasing order of impact. Systems and procedures have been established to manage those risks.

The principal risk for The Smallpeice Trust is Safeguarding the beneficiaries of our programmes. The Trust is committed to providing safe environments in which young people can explore and develop their potential as an engineer and has appointed Jacqui Newsome as the lead trustee for Safeguarding.

Furthermore, the Trust has a Designated Safeguarding Lead and cross-organisation Safeguarding reference group with oversight of the annual review of the Trust's Safeguarding policy, and the Trust's comprehensive safeguarding policies and procedures, including recruitment and DBS/PVG checks. The Trust will not compromise on the Safeguarding of the beneficiaries of our programmes.

In common with all organisations, a principal risk for The Smallpeice Trust is reduced spending power resulting from reduced income (predominantly from charitable activities or investment income). During the course of 2023/24 this principal risk has continued to be in sharp focus as a result of the ongoing impact of the COVID-19 global pandemic, Brexit, the war in Ukraine, and its impact on the global economy.

Whilst the Trust mitigates against income reduction through the appointment of internal professional fundraisers (for income for charitable activities) and external professional investment managers (for investment income), the impact of the current cost of living crisis is ongoing.

Another principal risk for The Smallpeice Trust surrounds the safety of the data we hold regarding the beneficiaries of our programmes. In order to mitigate against this risk, the Trust constantly reviews its cyber security control measures.

Fundraising Standards Information

The Smallpeice Trust did not contract with any third party fundraisers during the year. The Trust employs a Fundraising and Business Development Team who initiate campaigns and support fundraising activities. We have received no fundraising complaints during the year.

The Trust only makes fundraising approaches to partners and funders who have given explicit consent to receive such campaign documentation under GDPR guidelines.

Fundraising

Within this period, the Trust continued to be more active in fundraising to secure its underlying investment value and to ensure the future quality of its activities are not compromised.

Whilst recognising the last 12 months have remained a challenging time in which to fundraise and deliver programmes, it has helped us, working with our partners, to find new ways to reach students and inspire them to be the engineers of the future. Our approach to fundraising with our partners continues to be informed by our shared commitment to evidence of need, and increasing impact,

The Trust constantly seeks new and additional partners to support its work.

Volunteers

As the provider of educational programmes for young people, the Trust is indebted to the volunteers that supported the delivery of our programmes during this year. We welcome the opportunity to work with increasing numbers of volunteers, we acknowledge those who supported our work to inform, influence, and inspire young people either in secure face to face or virtual environments.

THE SMALLPEICE TRUST

TRUSTEES REPORT (continued)

31 August 2024

STRUCTURE GOVERNANCE AND MANAGEMENT (CONTINUED)

Indemnity insurance

Indemnity insurance, covering all trustees, was in place throughout the whole period.

ACHIEVEMENTS AND PERFORMANCE

Educational Activities

STEM in Schools

Introducing students to the exciting world of engineering

Key stats:

90% of students who learned something new*

93% of students who enjoyed the STEM Day*

100% of teachers who rated STEM event excellent or good*

No. of schools who received a STEM event: **nearly 1,000**

No. students reached (Excluding Coding Success): **51,978**

No. students reached (Coding Success**): **12,000**

* Based on available feedback for 2023/2024 STEM Events

** Coding success assumes 60 students reached per 1 teacher.

The *STEM in Schools* program continues to grow from strength to strength, successfully delivering both our core STEM events and tailored STEM activities. This achievement highlights the adaptability and agility of our dedicated team.

With the establishment of a specialised Schools Engagement team, we are now better positioned to develop and sustain meaningful relationships with schools, enabling more direct support. The team has performed exceptionally well this year, and we are pleased to recognise their success and the positive impact of their efforts.

STEM courses

Exploring the world beyond the classroom

Key stats:

18 courses reaching 856 students

55% female, non-binary, or other*

50% from an ethnic minority

314 places fully funded

86% of students increasing their interest in engineering

97% of students increasing their awareness of routes into engineering

91% of students who will consider studying engineering in future

*in future these categories will be reported separately as our evaluation framework has been updated for 2024/25.

The *Exploring Engineering* program has continued to strengthen over the past year, receiving highly positive feedback from students as we move into our second year and broaden the program's content. Several courses have proven exceptionally popular, resulting in long waiting lists. To address this demand, we plan to create additional sessions for these high-demand courses in 2024/25 and beyond, ensuring more students have the opportunity to participate.

THE SMALLPEICE TRUST

TRUSTEES REPORT (continued)

31 August 2024

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Educational Activities (continued)

Arkwright Engineering Scholarships **Make a difference with engineering**

% of last cohort who went to study engineering or a related subject: **86%**

No. scholarship applications: **1534**

Scholars attending a Connect Day: **304**

No. new scholars (first year): **328**

No. partner schools: **1,200+**

This year, the Arkwright team experienced substantial change, particularly with the retirement of several dedicated Liaison Officers who have contributed countless hours supporting young people across the UK in their application journeys. We extend our heartfelt thanks to Phil Taylor for his outstanding service to the Arkwright program over the past decade. His commitment has been truly exemplary and has left a lasting impact on the program and its participants.

The past year also saw a record number of connect days and an expanded mentorship provision, enhancing the support we offer to our scholars. Additionally, we conducted a comprehensive review of the Arkwright program, gathering feedback from a broad range of stakeholders. Based on these insights, we are planning updates for the 2024/25 program to further align with the needs and expectations of the young people successful in their application.

New partnerships

Working together to ignite young peoples' interest in engineering

Key stats:

- Over 140 partners funding activity
- Nearly 65,000 young people benefited

As our network of partners has grown, so too have the depth and strength of our relationships with them. Our partners have been invaluable in shaping the Trust's new direction, providing essential feedback on key focus areas, and supporting our initiatives across the board.

This collaborative spirit was evident at our inaugural partnership event, where over 50 sponsors gathered. Attendees not only heard from our CEO and reviewed research findings, teacher, and student panels, but also contributed insights into their key objectives and business requirements for enhancing STEM outreach within their organisations.

New Content

- **STEM for Girls** - Following our literature review on how to best engage girls in mixed-gender STEM interventions, we conducted a research project incorporating the recommendations. We found that directly challenging stereotypes, showcasing female role models in STEM and highlighting the social aspects of STEM careers had a positive impact on girls' engagement. Going forward, we are incorporating these elements into our core challenges.
- **New EE Modules** - We developed three new modules of content for Engineering Experiences (Civil Engineering, Energy Engineering, and Robotics and Programming). These modules will be a core part of our Courses offer in the future.
- **New STEM Content** - We developed a new Primary Live format that was rolled out across 50 schools across the UK. As part of the STEM for Girls research, we developed a new Primary and new Secondary STEM Day that can be offered across Schools within the UK.

In addition, we reviewed our existing offer and have made incremental improvements for the 2024/2025 academic year.

THE SMALLPEICE TRUST

TRUSTEES REPORT (continued)

31 August 2024

FINANCIAL REVIEW

Results and state of affairs

The Trust's total income increased by approx. £330k compared to the previous year; due primarily to a £210k deed of gift from The Betts-Brown Charitable Trust as well as £188k of improvements across our programme income compared to the previous year. It is also noted that school strike actions impacted the Trust's ability to deliver programmes in early 2023/24 to its intended beneficiaries and significant effort was made to rebook and deliver our programmes to earn the associated income during the year.

Income from our investments has remained reasonably stable over the last 2 years and this year we have seen the value of our underlying investments begin to increase in value. CCLA Investment Management Limited have been our advisers and although returns are not what we would like the investments continue to outperform our benchmark.

The Trust has continued to monitor costs, whilst savings were made in certain areas, expenditure increased in others to support the increased promotion and delivery of our programmes and reflecting increases implemented by our suppliers in response to increasing inflation.

Total fund balances of the Trust at 31 August 2024 amounted to £21,620,681 (2023: £20,577,617) after gains in the value of investment assets of £1,492,427 (2023: losses of £311,546).

Investment policy

Under the terms of the Trust's Memorandum, no limits are placed on the investment powers of the directors. However, the Trust does not undertake speculative investments but aims to maintain a balanced portfolio of reliable income producing assets combined with modest capital growth in the longer term.

The Trusts quoted investments are invested by CCLA in their COIF Charities Investment Fund – Income Units and performance is benchmarked against a combined comparator comprising MSCI World Index, Markit iBoxx, MSCI UK Monthly Property Index and SONIA.

Principal funding sources

Our funding partners continue to represent the principal source of funding for the charity, these are mainly commercial or charitable entities that wish to support our objects. Funding can be towards our STEM days, residential courses or scholarship programme and often our partners fund a mixture of these.

Reserves policy

The Trust was incorporated in 1966 with a gift of £1.6 million from the late Dr Cosby D P Smallpeice, following the sale of his engineering company, Martonair. At today's values (based on RPI) this would equate to approximately £40 million

Although, under the terms of its Memorandum all funds may be spent, the Trust depends significantly on its income from investments to support its operation. The trustees therefore aim to retain a substantial sum as an endowment.

In the long term the Trust expects to spend only the income but in the short term, capital reserves may be expended to invest in new opportunities or to ensure continued operation during economic downturns.

The effects of the COVID-19 virus as well as the subsequent cost of living crisis have had a substantial impact on the operation of the trust over the last three years. This has resulted in the need for some expenditure of capital reserves, in addition to the investment income, to subsidise the day-to-day operations of the Trust.

It is the trustees aim by 2024/25 to move to a position where a greater proportion of the ongoing operations can be funded from other sources, the endowment income can then be used to fund new initiatives that increase the impact of the Trust and to gradually increase the value of the reserves to a value comparable, after inflation, with the original gift.

THE SMALLPEICE TRUST

TRUSTEES REPORT (continued)

31 August 2024

FINANCIAL REVIEW (CONTINUED)

Reserves policy (cont)

At 31 August 2024 total reserves of The Smallpeice Trust stood at £21,620,681.

These included:

- £2,121,526 of unrealised cumulative profits on the value of investments and investment property which are included in the Balance Sheet at market value.
- £1,213,335 of restricted funds, which are primarily to fund scholarships and university bursaries in accordance with restrictions imposed by the donor.
- £922,267 of designated funds represented by tangible and intangible fixed assets
- £300,000 of designated funds to be used towards the upkeep of Smallpeice House. It is expected that most of these funds will be expended during 2024-25.
- £16,500,000 of designated funds, including the original endowment, being the amount the Trustees deem necessary to remain invested to generate income towards the core costs of the Trust

Free Reserves (including expendable endowment) being those reserves that are freely available to use towards meeting the charity's purposes stand at £663,552.

Future Plans

The hard work of the Trust's team in actively retaining and building partnerships across the organisation has yielded strong results in 2023/24, reflected in the continued high engagement with Schools, Courses, and Arkwright Scholars.

The demand for engineers remains high, yet significant challenges persist. To address these, the Trust will:

1. **Strengthen Partnerships:** Pilot collaborations with organisations in complementary fields like Mathematics and Technology, as well as those focusing on harder-to-reach communities. This approach aims to create diverse content and delivery teams that broaden the Trust's impact.
2. **Conduct Longitudinal Research:** Study the long-term effects of Arkwright Scholarships to explore how they can create a ripple effect, further supporting the broader engineering community.
3. **Expand Reach Beyond Classrooms:** Develop initiatives that extend the Trust's content to audiences outside traditional classrooms.
4. **Keep Offerings Current:** Ensure that programs remain relevant and engaging for young people exploring STEM and engineering in a rapidly evolving world.

Over the next year, as these initiatives take shape, the Trust will finalise the inputs and activities of its Theory of Change model.

THE SMALLPEICE TRUST

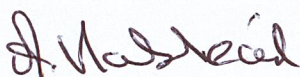
TRUSTEES REPORT (continued)

31 August 2024

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

In approving the trustees' annual report, we also approve the strategic report therein, in our capacity as company directors.

This report was approved by the trustees and authorised to issue on 5 December 2024 and are signed on their behalf by:



Prof Alison Halstead
Chairman

THE SMALLPEICE TRUST

TRUSTEES' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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

Company law applicable in England & Wales requires the trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019;
- 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 charity will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's 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.

THE SMALLPEICE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SMALLPEICE TRUST

Opinion

We have audited the financial statements of The Smallpeice Trust (the 'charitable company') for the period ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows 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 charitable company's affairs as at 31 August 2024, and of its incoming resources and application of resources, including its income and expenditure, for the period 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on 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 other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and directors' report) for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

THE SMALLPEICE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SMALLPEICE TRUST

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, 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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 144 of the Charities Act and report in accordance with regulations made under section 154 of that Act.

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

THE SMALLPEICE TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SMALLPEICE TRUST

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

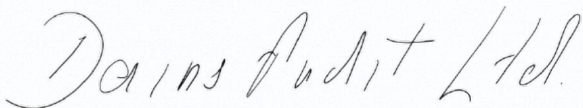
- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

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

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

Use of our report

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



Andrew Morris FCA (senior Statutory Auditor)
For and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants
Birmingham

5 December 2024

THE SMALLPEICE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
for the year ended 31 August 2024

Income from:	Note	Unrestricted		Restricted funds £	31 August 2024 £	31 August 2023 £
		General funds £	Designated funds £			
Donations and legacies	3	4,375		220,046	224,421	36,167
Charitable activities	4	2,069,589	-	295,840	2,365,429	2,154,749
Investments	5	561,089	-	-	561,089	554,925
Other	6	45,285	-	-	45,285	95,499
Total income		2,680,338	-	515,886	3,196,224	2,841,340
Expenditure on:						
Raising funds	7	839,544	-	-	839,544	718,085
Charitable activities	8	2,279,463	111,264	415,316	2,806,043	3,712,446
Total expenditure		3,119,007	111,264	415,316	3,645,587	4,430,531
Net Operating income / (expenditure)		(438,669)	(111,264)	100,570	(449,363)	(1,589,151)
Net gains / (losses) on investments	14	1,492,427	-	-	1,492,427	(311,546)
Net income / (expenditure)		1,053,758	(111,264)	100,570	1,043,064	(1,900,737)
Transfers between funds	19/20	315,494	270,694)	(44,800)	-	-
Net movement in funds		1,369,252	(381,958)	55,770	1,043,064	(1,900,737)
Reconciliation of funds						
Total funds brought forward	19/20	1,315,827	18,104,225	1,157,565	20,577,617	22,478,354
Total funds carried forward		2,685,079	17,722,267	1,213,335	21,620,681	20,577,617

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the period.

THE SMALLPEICE TRUST
COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Account)
for the year ended 31 August 2023

Income from:	Note	Unrestricted			31 August 2023 £
		General funds £	Designated funds £	Restricted funds £	
Donations and legacies	3	14,425	-	21,742	36,167
Charitable activities	4	1,860,249	-	294,500	2,154,749
Investments	5	554,925	-	-	554,925
Other	6	95,499	-	-	95,499
Total income		2,525,098	-	316,242	2,841,340
Expenditure on:					
Raising funds	7	718,085	-	-	718,085
Charitable activities	8	3,286,601	94,556	331,289	3,712,446
Total expenditure		4,004,686	94,556	331,289	4,430,531
Net Operating income / (expenditure)		(1,479,588)	(94,556)	(15,047)	(1,589,191)
Net gains / (losses) on investments	14	(311,546)	-	-	(311,546)
Net income / (expenditure)		(1,791,134)	(94,556)	(15,047)	(1,900,737)
Transfers between funds		916,300	(1,000,000)	83,700	-
Net movement in funds		(874,834)	(1,094,556)	68,653	(1,900,737)
Reconciliation of funds					
Total funds brought forward		2,190,661	19,198,781	1,088,912	22,478,354
Total funds carried forward		1,315,827	18,104,225	1,157,565	20,577,617

All income and expenditure derive from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised during the period.

THE SMALLPEICE TRUST
BALANCE SHEET
at 31 August 2024

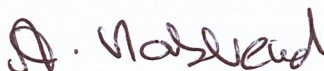
Company Registration No. 882371

	Note	2024 £	2023 £
Fixed assets			
Intangible Fixed Assets	12	106,361	63,842
Tangible assets	13	815,906	840,383
Investments			
- listed	14	19,797,058	18,304,631
- other	14	1,500,000	1,500,000
		<hr/>	<hr/>
		22,219,325	20,708,856
Current assets			
Stocks	15	25,000	27,500
Debtors	16	150,724	572,287
Cash at bank and in hand		630,704	1,045,841
		<hr/>	<hr/>
		806,428	1,645,628
Creditors: amounts falling due within one year	17	(1,320,882)	(1,641,332)
		<hr/>	<hr/>
Net current assets / (liabilities)		(514,454)	4,296
		<hr/>	<hr/>
Total assets less current liabilities		21,704,871	20,713,152
Creditors: amounts falling due after more than one year	17	(84,190)	(135,535)
		<hr/>	<hr/>
Net Assets		21,620,681	20,577,617
		<hr/> <hr/>	<hr/> <hr/>
Charity Funds			
Restricted funds	19	1,213,335	1,157,565
General income funds		663,553	686,727
Revaluation reserves		2,121,526	629,100
Designated funds		17,622,267	18,104,225
		<hr/>	<hr/>
Total unrestricted income funds	20	20,407,346	19,420,052
		<hr/>	<hr/>
Total Funds		21,620,681	20,577,617
		<hr/> <hr/>	<hr/> <hr/>

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

The financial statements were approved by the trustees and authorised to issue on 5 December 2024 and are signed on their behalf by:

Prof Alison Halstead – Chairman



THE SMALLPEICE TRUST
STATEMENT OF CASHFLOWS
31 August 2024

		31 August 2024 £	31 August 2023 £
Cash flow from operating activities	22	(860,603)	(356,277)
Net cash flow from operating activities		<u>(860,603)</u>	<u>(356,277)</u>
Cash flow from investing activities			
Payments to acquire investments		-	(750,000)
Payments to acquire fixed assets		(129,306)	-
Interest received		28,309	32,357
Dividends received		532,780	522,568
Rents received		13,683	13,737
Net cash flow from investing activities		<u>445,466</u>	<u>(181,338)</u>
Net increase / (decrease) in cash and cash equivalents		(415,137)	(537,615)
Cash and cash equivalents at 1 September 2023		1,045,841	1,583,456
Cash and cash equivalents at 31 August 2024		<u>630,704</u>	<u>1,045,841</u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		630,704	1,045,841
Cash and cash equivalents at 31 August 2024		<u>630,704</u>	<u>1,045,841</u>
Analysis of changes in net debt:			
	2023	Cashflow	2024
	£	£	£
Cash and cash equivalents	1,045,841	(415,137)	630,704
	<u>1,045,841</u>	<u>(415,137)</u>	<u>630,704</u>

THE SMALLPEICE TRUST

NOTES ON FINANCIAL STATEMENTS

31 August 2024

1 General information and basis for preparation

The Smallpeice Trust is an incorporated charity in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the legal and administrative information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to promote engineering in all its branches as a career to young people.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in pound sterling (£) which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

2 Accounting policies

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income; the amount can be quantified with reasonable accuracy and receipt is probable. The following specific policies are applied to particular categories of income:

- Income from donations and legacies, includes grants, donations and gifts. Where entitlement is conditional on specific deliverables or performance by the charity, income is recognised when the charity becomes unconditionally entitled to the monies.
- Incoming resources from charitable activities are accounted for when earned which also reflects the timing of when activities are scheduled to commence.
- Investment income is included when receivable.

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

- Costs of generating funds are those costs incurred in attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, administrative payroll costs, training and depreciation. These costs are incurred directly in support of expenditure on the objects of the charity and have been allocated to expenditure on charitable activities being most consistent with use of the resources.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

THE SMALLPEICE TRUST

NOTES ON FINANCIAL STATEMENTS (continued)

31 August 2024

2 Accounting policies (continued)

Irrecoverable VAT

Irrecoverable VAT is included in the expense heading to which the invoice relates.

Volunteers

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees Annual Report.

Pension contributions

The charity operates a defined contribution pension scheme for the benefit of its employees. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Operating leases

Rentals payable under operating leases are charged as expenditure on a straight-line basis over the period of the lease.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Fund accounting

- Restricted funds are those subjected to restrictions on their expenditure imposed by the donor.
- Designated funds are unrestricted funds set aside by the trustees for a specific purpose.
- General funds are unrestricted funds available for use at the discretion of the trustees in furtherance of the charitable objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.

Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Tangible fixed assets

Tangible fixed assets are recognised at cost and subsequently measured under the historical cost model, being cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes any direct expenditure incurred to bring the asset to its current location and condition necessary for the asset to work as intended by management.

Individual items costing less than £1,000 are written off as incurred whilst those costing this amount or more are capitalised as tangible fixed assets.

Repairs and maintenance costs are charged to expenditure in the period in which they are incurred.

Depreciation commencing in the year of acquisition, is calculated to write off the cost of tangible fixed assets over their estimated useful lives at the following rates:

Freehold land	Nil
Freehold buildings	over 50 years
Motor vehicles	over 4 years
Educational equipment	over 3 years
Furniture and office equipment	over 5 years

THE SMALLPEICE TRUST

NOTES ON FINANCIAL STATEMENTS (continued)

31 August 2024

2 Accounting policies (continued)

Tangible fixed assets (continued)

Any gains and losses on the disposal of tangible fixed assets are recognised in the Statement of Financial Activities in the period that the disposal takes place.

Intangible fixed assets

Intangible assets are amortised on a straight line basis over their useful lives. The useful lives of intangible assets are as follows:

Client Relationship Management System	over 5 years
Website	over 5 years
AMS Database	over 5 years

Investments

Investments are recognised initially at fair value which is normally transaction price excluding transaction costs. Subsequently they are measured at fair value as valued by the Trust's investment advisers. Income arising on investments is accounted for as it accrues. Movements in the fair value of investments are shown in net gains and losses on investments in the Statement of Financial Activities.

The main form of financial risk faced by the charity's investments is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Investment property

Investment properties are measured at fair value at each reporting date with any movements in fair value being shown in net gains and losses on investments in the Statement of Financial Activities and transferred to a revaluation reserve.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

Financial instruments

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances are recognised at transaction price.

Other financial assets, including investments in equity instruments and which are not subsidiaries, associates or joint ventures, are initially measured at fair value which is normally transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit and loss.

Financial liabilities

Basic financial liabilities, including trade and other payables, and bank loans that are classified as debt are initially recognised at transaction price. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

THE SMALLPEICE TRUST

NOTES ON FINANCIAL STATEMENTS (continued)

31 August 2024

2 Accounting policies (continued)

Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 those estimates and underlying assumptions are continually reviewed.

Key sources of estimation uncertainty:

- Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of these assets are assessed annually and may vary depending in a number of factors.
- The value of fixed asset investment property is estimated formally, on a cyclical basis, by experienced professional valuers commissioned by the Trustees. The Trustees consider the value annually and may impair or revalue the property to reflect prevailing market conditions.

3 Income from donations and legacies	2024 £	2023 £
Donations	14,225	36,167
The Betts-Brown Charitable Trust	210,196	-
	<u>224,421</u>	<u>36,167</u>

Income from donations and legacies was £224,421 (2023: £36,167) of which £220,046 (2023: £21,742) was attributable to restricted funds and £4,375 (2023: £14,425) attributable to general unrestricted funds.

4 Income from charitable activities	2024 £	2023 £
Course income	1,604,274	1,495,618
Scholarships and aptitude test fees	761,155	659,131
	<u>2,365,429</u>	<u>2,154,749</u>

Income from charitable activities was £2,365,429 (2023: £2,154,749) of which £295,840 (2023: £294,500) was attributable to restricted funds and £2,069,589 (2023: £1,860,249) attributable to general unrestricted funds.

5 Investment income	2024 £	2023 £
Income from listed investments	532,780	522,568
Bank and deposit interest	28,309	32,357
	<u>561,089</u>	<u>554,925</u>

Investment income was £561,089 (2023: £554,925) which was entirely attributable to general unrestricted funds.

THE SMALLPEICE TRUST
NOTES ON FINANCIAL STATEMENTS (continued)
31 August 2024

6	Other income	2024	2023
		£	£
	Rent receivable	13,683	21,702
	Licence fees and related income	20,000	20,000
	Sundry income	11,602	53,797
		<u>45,285</u>	<u>95,499</u>
		<u><u>45,285</u></u>	<u><u>95,499</u></u>

Other income was £45,285 (2023: £95,499) which was entirely attributable to general unrestricted funds.

7	Cost of raising funds	2024	2023
		£	£
	Publicity, fundraising and charity development	780,493	702,773
	Investment management fees	-	-
	Investment property costs	59,051	15,312
		<u>839,544</u>	<u>718,085</u>
		<u><u>839,544</u></u>	<u><u>718,085</u></u>

The cost of raising funds was £839,544 (2023: £718,085) which was entirely attributable to general unrestricted funds.

8 Analysis of expenditure on charitable activities

	Activities undertaken directly £	Grant funding activities £	Support costs £	2024 Total £	2023 Total £
Provision of courses and educational events	1,466,937	305,688	1,033,418	2,806,043	3,712,446
	<u>1,466,937</u>	<u>305,688</u>	<u>1,033,418</u>	<u>2,806,043</u>	<u>3,712,446</u>
	<u><u>1,466,937</u></u>	<u><u>305,688</u></u>	<u><u>1,033,418</u></u>	<u><u>2,806,043</u></u>	<u><u>3,712,446</u></u>

Activities undertaken directly represent the direct costs of running courses and educational events. The cost of charitable activities was £2,806,043 (2023: £3,712,446) of which £415,316 (2023: £331,289) was attributable to restricted funds, £111,264 (2023: £94,556) attributable to designated unrestricted funds and £2,279,463 (2023: £3,286,601) attributable to general unrestricted funds.

Included in expenditure on charitable activities was £305,688 (2023: £258,115) of grants made during the period in the form of scholarships and bursaries to individuals and their respective schools, colleges or educational institutions.

THE SMALLPEICE TRUST
NOTES ON FINANCIAL STATEMENTS (continued)
31 August 2024

8 Analysis of expenditure on charitable activities (continued)	2024	2023
	£	£
Support costs		
Staff costs	414,961	467,913
Hotel and travel	1,087	7,130
Stationery and course development	20,787	17,574
Printing, artwork & brochures	-	-
Property and utility costs	118,911	107,620
Training and recruitment	13,306	47,309
Depreciation	111,264	87,438
Equipment and IT costs	227,618	237,431
Bad debts	8,024	17,600
Other sundry costs	46,540	14,416
Governance costs (note 9)	70,920	66,869
	<u>1,033,418</u>	<u>1,071,300</u>

As stated per the accounting policies, support costs are allocated entirely to the Trust's one charitable activity.

9 Governance costs	2024	2023
	£	£
Auditors' remuneration	15,000	13,818
Trustees' and meeting expenses	8,011	11,606
Trustees' indemnity insurance	3,464	3,464
Legal and professional fees	44,445	37,981
	<u>70,920</u>	<u>66,869</u>

10 Net income / (expenditure) for the period	2024	2023
	£	£
Total resources expended is stated after charging / (crediting):		
Depreciation	111,264	87,438
Operating lease rentals	19,272	13,760
Auditors' remuneration - audit	15,000	17,273
- other services	1,920	522
	<u>147,456</u>	<u>129,000</u>

11 Employee costs and benefits	2024	2023
	£	£
Salaries	1,615,644	1,502,577
Social security costs	170,550	157,332
Other pension costs	145,577	156,131
Compensation for loss of office	38,824	52,510
Life assurances	6,164	6,971
Private health insurance	14,800	15,919
	<u>1,991,559</u>	<u>1,891,440</u>

During the year, the charity made contractual severance payments totalling £38,824 to 4 employees. At the balance sheet date there were no amounts outstanding.

THE SMALLPEICE TRUST

NOTES ON FINANCIAL STATEMENTS (continued)

31 August 2024

11 Employee costs and benefits (continued)

Pension costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £145,577 (2023: £156,131). Amounts payable at the year end were £11,741.

The number of employees earning over £60,000 per year (including benefits) in the period was as follows:

	2024 Number	2023 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	1	2
£80,001 - £90,000	2	-
£140,001 - £150,000	-	1
	<u> </u>	<u> </u>

Key Management Personnel

The total amount of employee compensation (including employers NI) received by key management personnel was £402,693 (2023: £366,391). Key management personnel are considered to be the Trustees and principal members of staff as noted in the legal and administrative information on page 1.

The average number of employees during the period (excluding directors) was:

	2024 Number	2023 Number
Education team staff	22	21
Partner engagement	11	9
Administrative and support staff	11	10
	<u> </u>	<u> </u>
	44	40
	<u> </u>	<u> </u>
Full time equivalent staff	42	38
	<u> </u>	<u> </u>

Trustees

No emoluments were paid during the period to any trustee. During the period 5 (2023:4) trustees received reimbursement for the cost of travel to and from meetings and accommodation where necessary in the sum of £2,890 (2023: £2,001). The cost of providing trustees and officers insurance during the period amounted to £3,464 (2023: £3,464).

THE SMALLPEICE TRUST
NOTES ON FINANCIAL STATEMENTS (continued)
31 August 2024

12 Intangible fixed assets

	AMS Database	Computer Software £	Website £	Total £
Cost				
1 September 2023	-	266,457	48,000	314,457
Additions	129,306	-	-	129,306
	<hr/>	<hr/>	<hr/>	<hr/>
31 August 2024	129,306	266,457	48,000	443,763
Depreciation				
1 September 2023	-	213,015	37,600	250,615
Charge for the period	23,896	53,291	9,600	86,787
	<hr/>	<hr/>	<hr/>	<hr/>
31 August 2024	23,896	266,306	47,200	337,402
Net book value				
31 August 2024	105,410	151	800	106,361
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
31 August 2023	-	53,442	10,400	63,842
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

13 Tangible fixed assets

	Freehold property £	Office furniture and equipment £	Total £
Cost			
1 September 2023	1,357,406	186,616	1,544,022
Additions	-	-	-
	<hr/>	<hr/>	<hr/>
31 August 2024	1,357,406	186,616	1,544,022
Depreciation			
1 September 2023	518,607	185,032	703,639
Charge for the period	23,148	1,329	24,477
	<hr/>	<hr/>	<hr/>
31 August 2024	541,755	186,361	728,116
Net book value			
31 August 2024	815,651	255	815,906
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
31 August 2023	838,799	1,584	840,383
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE SMALLPEICE TRUST
NOTES ON FINANCIAL STATEMENTS (continued)
31 August 2024

14	Fixed asset investments	2024
		£
	Listed investments	
	Market value at 31 August 2023	18,304,631
	Additions during the period	-
	Disposal proceeds	-
	Net investment gains / (losses)	1,492,427
		<hr/>
	Market value at 31 August 2024	19,797,058
		<hr/> <hr/>
	Historical cost at 31 August 2024	18,983,638
		<hr/> <hr/>
	UK listed investments are represented by: Investment trusts and unit trusts	19,797,058
		<hr/>
		19,797,058
		<hr/> <hr/>
		£
	Investment property	
	Market value 31 August 2023	1,500,000
	Revaluation gain / (loss)	-
		<hr/> <hr/>
	Market value 31 August 2024	1,500,000
		<hr/> <hr/>

The property was valued by the trustees at 31 August 2022 and increased by £400,000 to £1,500,000 conservatively based on offers received to purchase the property during the year and taking account of current market conditions affecting property sales. The last formal external professional valuation was undertaken in November 2021 when the property was professionally valued by ehB Reeves, Loveitts, Wareing & Co., and Fine and Country respectively.

15	Stocks	2024	2023
		£	£
	Goods for resale	25,000	27,500
		<hr/>	<hr/>
16	Debtors	2024	2023
		£	£
	Trade debtors	41,464	345,193
	Prepayments	107,243	222,019
	Accrued income	-	1,609
	Other debtors	2,017	3,466
		<hr/>	<hr/>
		150,724	572,287
		<hr/> <hr/>	<hr/> <hr/>

5

THE SMALLPEICE TRUST
NOTES ON FINANCIAL STATEMENTS (continued)
31 August 2024

17	Creditors: amounts falling due within one year	2024	2023
		£	£
	Trade creditors	229,769	261,097
	Taxation and social security	38,201	60,757
	Accruals	419,416	890,874
	Deferred income	618,049	406,011
	Rent deposit	1,500	1,500
	Other creditors	13,947	21,093
		<hr/>	<hr/>
		1,320,882	1,641,332
		<hr/> <hr/>	<hr/> <hr/>
	Creditors: amounts falling due after more than one year	2024	2023
		£	£
	Deferred income	84,190	135,535
		<hr/> <hr/>	<hr/> <hr/>
18	Deferred income	2024	2023
		£	£
	Brought forward	541,546	551,045
	Released to SoFA	(406,011)	(429,699)
	Deferred income received this period	566,704	420,196
		<hr/>	<hr/>
	Carried forward	702,239	541,546
		<hr/> <hr/>	<hr/> <hr/>

Deferred income represents £84,737 (2023: £118,911) of course sponsorships, and activity and events income received in advance and £617,502 (2023: £422,635) of donations received in advance in respect to scholarships.

THE SMALLPEICE TRUST

NOTES ON FINANCIAL STATEMENTS (continued)

31 August 2024

19 Restricted Funds

The funds of the charitable company include restricted funds used for specific purposes as follows:

	Balance 31 August 2023 £	Incoming resources £	Expenditure £	Transfers £	Gains/(Losses) on Assets £	Balance 31 August 2024 £
Scholarships Fund	-	295,840	(295,840)	-	-	-
Rise Project	9,001	-	(9,001)	-	-	-
Benefactors Fund	29,429	9,850	(24,820)	-	-	14,459
The Mercers Company	27,435	-	(13,925)	-	-	13,510
Dr Brewster Fund	38,900	-	(2,530)	-	-	36,370
R Kirkland Scholarship Fund	44,800	-	-	(44,800)	-	-
T G Gray Charitable Trust	1,008,000	-	(69,200)	-	-	938,800
The Betts Brown Charitable Trust Fund	-	210,196	-	-	-	210,196
	<u>1,157,565</u>	<u>515,886</u>	<u>(415,316)</u>	<u>(44,800)</u>	<u>-</u>	<u>1,213,335</u>

	Balance 31 August 2022 £	Incoming resources £	Expenditure £	Transfers £	Gains/(Losses) on Assets £	Balance 31 August 2023 £
Scholarships Fund	-	294,500	(294,500)	-	-	-
Bursaries	3,000	-	(3,000)	-	-	-
Rise Project	24,230	-	(15,229)	-	-	9,001
Benefactors Fund	16,542	21,742	(8,855)	-	-	29,429
The Mercers Company	32,140	-	(4,705)	-	-	27,435
Dr Brewster Fund	-	-	-	38,900	-	38,900
R Kirkland Scholarship Fund	-	-	-	44,800	-	44,800
T G Gray Charitable Trust	1,013,000	-	(5,000)	-	-	1,008,000
	<u>1,088,912</u>	<u>316,242</u>	<u>(331,289)</u>	<u>83,700</u>	<u>-</u>	<u>1,157,565</u>

The Restricted Funds are mainly to be used to fund scholarships in accordance with restrictions imposed by the donor.

The T G Gray Charitable Trust Funds are to be used to encourage disadvantaged and female students into engineering.

The Betts-Brown Charitable Trust Funds are to be used fund scholarships, bursaries and events within the Arkwright scholarship programme.

THE SMALLPEICE TRUST
NOTES ON FINANCIAL STATEMENTS (continued)
31 August 2024

20 Unrestricted funds

	Balance 31 August 2023 £	Incoming resources £	Expenditure £	Transfers £	Gains/(Losses) on Assets £	Balance 31 August 2024 £
General funds	686,727	2,680,338	(3,119,007)	315,494	-	663,552
Revaluation reserve	629,100	-	-	-	1,492,427	2,121,527
Designated funds:						
Fixed Asset Fund	904,225	-	(111,264)	129,306	-	922,267
SPH Maintenance	200,000	-	-	100,000	-	300,000
Investment Fund	17,000,000	-	-	(500,000)	-	16,500,000
	<u>19,420,052</u>	<u>2,660,338</u>	<u>(3,230,271)</u>	<u>(44,800)</u>	<u>1,492,427</u>	<u>20,407,346</u>

	Balance 31 August 2022 £	Incoming resources £	Expenditure £	Transfers £	Gains/(Losses) on Assets £	Balance 31 August 2023 £
General funds	1,250,015	2,525,098	(4,004,686)	916,300	-	686,727
Revaluation reserve	940,646	-	-	-	(311,546)	629,100
Designated funds:						
2011 Fund	7,118	-	(7,118)	-	-	-
Fixed Asset Fund	991,663	-	(87,438)	-	-	904,225
SPH Maintenance	200,000	-	-	-	-	200,000
Investment Fund	18,000,000	-	-	(1,000,000)	-	17,000,000
	<u>21,389,442</u>	<u>2,525,098</u>	<u>(4,099,242)</u>	<u>(83,700)</u>	<u>(311,546)</u>	<u>19,420,052</u>

General funds which includes the revaluation reserve are unrestricted funds available for use at the discretion of the trustees in furtherance of the charitable objectives of the charity.

Designated funds are made up of:

- the 2011 fund which was set up using a donation received to fund scholarships, attendance on Headstart courses and Cambridge University bursaries.
- the Fixed Asset Fund is the value of unrestricted funds represented by tangible and intangible fixed assets owned by the charity.
- the Smallpeice House Maintenance Fund, which comprises funds earmarked towards the maintenance and upkeep of the Investment property, and
- the Investment Fund represents the amount of original endowment and accumulated unrestricted reserves that the Trustees consider should be invested to generate income towards the core costs of the Trust

THE SMALLPEICE TRUST
NOTES ON FINANCIAL STATEMENTS (continued)
31 August 2024

21 Net assets between funds

	Fixed Assets £	Net Current Assets / (liabilities) £	Non-Current Liabilities £	Total 31 Aug 2024 £
Unrestricted Fund	1,526,535	(778,793)	(84,190)	663,552
Unrestricted funds at 31 August 2024	<u>1,526,535</u>	<u>(778,793)</u>	<u>(84,190)</u>	<u>663,552</u>
Designated Fund	19,543,794	200,000	-	19,743,794
Designated funds at 31 August 2024	<u>19,543,794</u>	<u>200,000</u>	<u>-</u>	<u>19,743,794</u>
Restricted Fund	1,148,996	64,339	-	1,213,335
Restricted funds at 31 August 2024	<u>1,148,996</u>	<u>64,339</u>	<u>-</u>	<u>1,213,335</u>
Total funds at 31 August 2024	<u><u>22,219,325</u></u>	<u><u>(514,454)</u></u>	<u><u>(84,190)</u></u>	<u><u>21,620,681</u></u>

22 Reconciliation of net income to net cash flow from operating activities

	2024 £	2023 £
Net income / (expenditure) for the period	1,043,064	(1,900,737)
Dividends received	(532,780)	(522,568)
Rents from investment properties	(13,683)	(13,737)
Interest receivable	(28,309)	(32,357)
Depreciation of fixed assets	111,264	87,438
(Gains) / losses on investments	(1,492,427)	311,546
(Increase) / decrease in stock	2,500	17,500
(Increase) / decrease in debtors	421,563	1,005,390
Increase / (decrease) in creditors	(371,795)	691,248
Net cash flow from operating activities	<u>(860,603)</u>	<u>(356,277)</u>

THE SMALLPEICE TRUST
NOTES ON FINANCIAL STATEMENTS (continued)
31 August 2024

23 Commitments under operating leases

	2024 £	2023 £
Total future minimum lease payments under non-cancellable operating leases are as follows:		
Not later than one year	5,932	5,674
Later than one and not later than five years	9,173	4,905
	<u>15,105</u>	<u>10,579</u>
Total future minimum lease payments receivable under non-cancellable operating leases are as follows:		
Not later than one year	7,200	13,887
Later than one and not later than five years	28,800	-
	<u>36,000</u>	<u>13,887</u>

The trust lets office space comprising a room at its operating premises.

24 Capital commitments

At the 31 August 2024 the charity has committed a total of £nil (2023: £nil).

25 Ultimate Controlling Party

The board of Trustees control the charity.

26 Related Party transactions

During the year the Trust received £5,980 (2023: £6,250) from organisations the Trustees were connected with.