



Registered Charity No. 1156821

Annual Report and Accounts

**Year Ending
31 March 2017**

“Can I offer heartfelt thanks to all involved with the Linacre project for opening our young people’s eyes to a wider, more vibrant world of opportunity than they have been able to see before.”

Parent of Linacre Institute student (January 2017)

REPORT OF THE TRUSTEES - YEAR ENDING 31 MARCH 2017

The Trustees of the Linacre Institute (the “**Institute**”) are pleased to present their annual report and accounts for the year ended 31 March 2017.

Foundation and aims

The Institute was founded in January 2014 with a mission to help more northern state students reach our top universities.

The vision of the Institute is that state-school students in economically disadvantaged areas of the North of England should (where they have the potential to do so) have the same chance of reaching a world-class university as his or her counterpart at the UK’s most selective independent schools.

Social and Political Context

The Institute’s activities are directed towards addressing a challenge which is widely recognised to be central from a social and political perspective.

Higher education enriches lives. It builds confidence and independence of thought, helping young people find their voice in the world’s conversation.

There is also broad political consensus that everyone with the potential to benefit from higher education should have equal opportunity to do so.

As Alan Milburn (who recently resigned as Chair of the Social Mobility Commission) has noted, “[a]ll the main political parties now espouse a Britain that is less elitist and more equal, while growing numbers of employers, universities, colleges, schools and councils have developed a shared determination to create a level playing field of opportunity in our country.”

It is equally clear that this ideal is very far from being achieved.

At highly selective universities, the gap in participation rates between students from advantaged and disadvantaged backgrounds is stark. Eighteen year olds from the most advantaged areas are ten times more likely to study at one of the UK’s most selective universities (including Oxbridge) than those from more disadvantaged areas.

And, in Alan Milburn’s words, “London and its commuter belt are pulling away from the rest of the country ... Coastal areas and industrial towns are becoming real social mobility coldspots”.

Many of those areas, and towns, are in the North of England, where the Institute’s activities are primarily focussed.

Overview of the Institute's Activities

The Institute's activities currently have two principal components:

- **'Linacre – Partner Schools'**: Partnering with secondary schools to provide a pathway of aspiration for their students. From Year 12 to university and beyond, we help students along that pathway.
- **'Linacre – Reach Higher'**: Our flagship “Reach Higher” programme – a highly personalised and intensive three-part programme which, each year, helps Linacre students apply to and reach world-class universities in the UK and beyond.

The three parts of “Reach Higher” are:

- **'Big Ideas'** – a six-day residential at Westminster School, in London, which is held in the first half of July, at the end of Year 12. It is aimed at stretching students' horizons both intellectually and outside the classroom and includes workshops in places such as Parliament, the National Physical Laboratory, the Foreign Office, a national newspaper and the Globe Theatre.
- **'Stepping Stones to World-Class Universities'**, a ten-day residential at Trinity Hall, Cambridge, held in the second half of August, between Year 12 and Year 13 and aimed at building confidence in every aspect of applications to leading universities with additional subject-specific teaching and support from leading teachers and mentors.
- **'Phone a Friend'**, involving fortnightly Skype tuition from a subject expert, starting in or before September of Year 13.

Impact – 2016/17

2016/17 was the Institute's third full year of operation.

During the year, the Institute worked with seven Partner Schools (increased from five in the previous year).

During the period covered by this Report, the focus of the “Reach Higher” programme was on our 2016/17 cohort of Linacre Students (our third cohort – the others being 2014/15 and 2015/16).

Consistent with our objective of steadily increasing numbers, whilst not diluting the personal and bespoke nature of the Linacre programme, 24 students were selected for our 2016/17 cohort (15 in 2014/15 and 22 in 2015/16) and, with one exception, each participated in the ‘Reach Higher’ programme (with a view to starting at university in September 2017).

Results – Applications, Offers and Places

As with prior years, the results were excellent.

Looking forwards, the Trustees intend to review the Institute's approach to performance benchmarking, to ensure that it is appropriately robust and market-consistent.

However, of the 23 students forming part of the 2016/17 cohort:

- All 23 students (100%) made an application to a UK top-12 university (defined, for these purposes, by reference to average entry requirements)
- 21 students (91%) were offered a place by a UK top-12 university
- 17 students (74%) have since either secured places at a UK top-12 university or a leading overseas university (or won a UK top-12 offer but are reapplying to in 2017-18 to aim higher)

Additionally, and looking specifically at Oxbridge:

- 22 students (96%) made an Oxbridge application
- 9 students (41% of applicants) won offers (against a national average of around 20%)
- 6 students have since fulfilled the terms of Oxbridge offers.

Results – The Linacre Experience

Whilst the results, in statistical terms, are very encouraging, the Trustees believe that a more fundamental measure of the success of the Institute's activities is their impact on the confidence and horizons of our students.

Here, the feedback received from our 2016/17 cohort has (as in previous years) been both inspiring and humbling.

In the words of one student (from Wakefield), *“I left Cambridge [summer school] captivated by a subject more than I thought possible; something I don't think can be particularly taught, but rather, inspired in teaching. I felt fulfilled, motivated, and completely in love with the method and setting of learning that will hopefully shape the next three years of my education.”*

In the words of another (from Newcastle), *“[i]t seemed to be a pipe dream at the age of ten, when I first seriously determined that I wanted to study at Cambridge, and it appeared perhaps even more so for my parents. What were the real chances of a boy from my home-town achieving that? Thanks to the help of Linacre that fantasy became reality.”*

Results – Wider impact within partner schools

The Institute also began seeing very pleasing changes in student aspirations and university destinations within its partner schools. At Wales High School, for instance, 35% of sixth-formers reached a Sutton Trust 30 highly selective university in its first two years of working with Linacre (2015 and 2016 leavers). This compared with an average of 23% in the previous four years. The Institute is now working with Ucas to quantify this broader impact in more detail.

Other matters of note - 2016/17

For the purposes of this Report, there were a number of additional developments, and events, relevant to the 2016/17 financial year and the Institute more generally, which the Trustees view as appropriate to note.

Composition of Board of Trustees

The 2016/17 financial year saw a number of changes to the Institute's Board of Trustees.

In November 2016, two new Trustees, Michael (Mike) Munro and Simon Savage, were appointed for terms of three (3) years each.

Mike is a Partner in a major law firm in the City of London, and it is expected that he will bring valuable legal knowledge and expertise to the Board.

Simon has been involved in the financial industry for over 25 years, for the last 12 years as a hedge fund manager for the Man Group, and is passionate about providing individuals with the resources to identify and nurture their skills and fulfil their potential.

Separately, the terms of appointment of four of the Institute's Founding Trustees (Lord Hennessy, Ross Allen, Billy Boyle and Matthew Engel) expired and each decided, for the time being, not to seek reappointment for a further term.

The Trustees are hugely grateful to each of these Founding Trustees for the very significant contribution they have made to the Institute's establishment, development and success, and are delighted that each remains committed to, and intends to stay closely involved with, the Institute as it continues to grow in the future.

Basis of accounting

As the Institute has started to become more established, the Trustees determined to move from a "receipts and payments" basis of accounting to an accruals basis.

That is reflected in the accompanying accounts.

Financial resources

The 2016/17 financial year saw an encouraging increase in the level of the Institute's incoming resources to £53,163 (up from £34,300 in 2015/16 on a like-for-like basis).

That, in turn, drove an increase in the Institute's funds carried forward, which (at the end of the 2016/17 financial year) stood at £23,292 (up from £13,185 on a like-for-like basis).

Resolution to appoint Executive Director

During the 2016/17 financial year, and in light of the Institute's continued success and growth (both in terms of the size of student cohorts and of our incoming resources), the Trustees resolved, in principle, that Paul Coupar-Hennessy (the Institute's founder) should be retained as its first employee, with the title of Executive Director. (Mr Coupar-Hennessy is also a Trustee of the Institute.)

Subsequently (following the period covered by this Report), the Trustees approved the terms of an employment contract with Mr Coupar-Hennessy and this was entered into in October 2017.

The Trustees view the passing of that resolution, and the subsequent engagement of the Institute's Executive Director, as an important milestone in the continuing evolution of the Institute.

Whilst this development, necessarily, involves the assumption of some additional costs to the Institute (including with respect to National Insurance and pension contributions), the Trustees believe that it represents an essential step towards ensuring the sustainable, long-term, success of the Institute.

Further information required under Charities Act 2011

Registered address and Charity Trustees

The registered address of the Institute is 7 Edgebrook Road, Sheffield, S7 1SG.

As at the date of this Report, the Charity Trustees are:

Michael Munro (Chairman)
 Anne-Marie Canning
 Paul Coupar-Hennessy
 Pippa Dodgshon
 Richard Kowenicki
 Simon Savage.

Anne-Marie Canning was appointed as a Trustee of the Institute on 15 November 2017.

As noted earlier in this report, the terms of appointment of four of the Institute's Founding Trustees (Lord Hennessy, Ross Allen, Billy Boyle and Matthew Engel) expired and were not renewed.

Structure, governance and management

The Charity is constituted as a Charitable Incorporated Organisation. Its founding document is the constitution agreed on 22 January 2014 and revised on 29 April 2014.

Trustees are appointed on a majority vote of the current board.

Activities

The charity works with a network of schools in northern England. In 2016-17 these were:

Ashington High School, Ashington, Northumberland,
 Burnside College, Wallsend, North Tyneside
 Chapeltown Academy, Sheffield, South Yorkshire,
 Hall Cross Academy, Doncaster, South Yorkshire
 Netherthorpe School, Staveley, North Derbyshire
 Ossett Academy, Ossett, West Yorkshire
 Wales High School, Kiveton Park, South Yorkshire

The charity selects students for its Reach Higher Pilot programme from these partner schools. Every student in the sixth-form at those schools is given chance to apply for our courses, which are widely publicised within the schools. In 2017, more than 100 applied for 20-25 places.

More than one interviewer is involved in assessing all applications where this is at all possible, and schools' input is invited.

All benefits are provided totally free of charge to students. The trustees are confident that access to benefits is not unreasonably or unfairly restricted.

Activities undertaken for the public benefit in pursuit of the Institute's charitable objects during the financial year 2016-17 include:

- Visiting schools in northern England to provide information about elite universities and to encourage students to fulfill their academic potential.
- Running summer schools for able students at schools in the bottom 20% in England for progression to leading universities.
- Providing on-going tutoring and support for those students.
- Providing training for teachers on how best to support students aiming for elite universities.

Achievements and performance:

See earlier sections of this Report.

Beneficiaries

The Institute's principal beneficiaries are students and, in particular, those who participate in its programmes (as described earlier in this Report).

All come from areas in which under 15% of Higher Education entrants reach the 30 most competitive universities. In parts of the South East, this figure is 53%.

As the Charity works with young people, the most significant area of risk to beneficiaries involves ensuring the safety and wellbeing of potentially vulnerable youngsters ("safeguarding").

In 2016-17, all of our students were surveyed and 100% agreed that they had enjoyed the experience.

Trustee benefits and donations

Benefits and payments

No trustees or trustee family members received any benefit from a free place on our summer schools.

Among the trustees Richard Kowenicki and Paul Coupar-Hennessy both received payments from the charity's bank account in 2016-17 with respect to the repayment of expenses directly incurred in connection with the delivery of the Institute's core "Reach Higher" programme.

Additionally, certain payments were made to Paul Coupar-Hennessy with respect to the provision of management services during the year (see further Note 12 to the Accounts).

Besides the instances detailed above, all trustees gave of their time freely and no remuneration or expenses were paid in the year.

Donations by Trustees and close family members

As disclosed in Note 12 to the Accounts, the total amount of donations made by the trustees during the 2016-17 financial year (whether they were trustees for the full year or otherwise) and their close family members totalled £16,959.

Policy on reserves

The Institute's policy is to seek to maintain reserves at levels which the Trustees view as prudent from time to time having regard to the current and potential future scale of its Incoming and Outgoing Resources and the desire to apply as much of the Institute's financial resources as possible directly in activities which are directly and clearly to the benefit of students and Partner Schools.

As noted earlier in this Report, the 2016/17 financial year saw substantial increases in both the Institutes' Incoming Resources and reserves.

The charity's funds are unrestricted and it holds no investments.

Objects

As described earlier in this Report, the objects of the Institute, which is a Charitable Incorporated Organisation ("CIO"), are to further the education of children in northern England who, in particular but not exclusively, are disadvantaged as a result of being a member of a socially and economically deprived community.

The CIO does this primarily but not exclusively by means of residential courses, out-of-school-hours teaching and individual mentoring.

In setting our objectives and planning our activities our Trustees have close regard to the Charity Commission's general guidance on public benefit, and in particular to its public-benefit guidance on advancing education.

The Trustees of the Linacre Institute
30 January 2018

**The Linacre Institute
Statement of Financial Activities
for the year ended 31 March 2017**

	Notes	2017 £	2016 (restated) £
Incoming resources	3 & 4		
Income from:			
Donations		44,763	24,720
Charitable activities		<u>8,400</u>	<u>9,580</u>
Total		<u>53,163</u>	<u>34,300</u>
Resources expended	5		
Expenditure on:			
Raising funds		9,111	5,719
Charitable activities		<u>33,945</u>	<u>25,186</u>
Total		<u>43,056</u>	<u>30,905</u>
Net income		<u>10,107</u>	<u>3,395</u>
Net movement in funds		10,107	3,395
Reconciliation of funds:			
Total funds brought forward		<u>13,185</u>	<u>9,790</u>
Total funds carried forward		<u>23,292</u>	<u>13,185</u>

The charity had no restricted funds or endowment funds in the years ending 31 March 2017 and 2016.

**The Linacre Institute
Balance Sheet
as at 31 March 2017**

	Notes	2017 £	2016 (restated) £
Current assets			
Debtors	9	2,746	585
Cash at bank and in hand	11	25,994	12,600
<i>Total current assets</i>		<u>28,740</u>	<u>13,185</u>
Creditors: amounts falling due within one year	10	5,448	-
<i>Net current assets</i>		<u>23,292</u>	<u>13,185</u>
<i>Total assets less current liabilities</i>		23,292	13,185
<i>Total net assets</i>		<u>23,292</u>	<u>13,185</u>
Funds of the Charity			
Unrestricted funds		23,292	13,185
<i>Total funds</i>		<u>23,292</u>	<u>13,185</u>

Signed on behalf of all the trustees

The Linacre Institute
Notes to the Accounts
for the year ended 31 March 2017

Note

1 Basis of preparation

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, and with the Charities Act 2011.

1.2 Going concern

The accounts have been drawn up on the basis that the Charity is a going concern. There are sufficient reserves to enable the Charity to continue with its activities for the coming year and the trustees continue to work to raise additional funds.

1.3 Change of accounting policy

The accounts present a true and fair view and the accounting policies adopted are those outlined in note 2.

In the year ended 31 March 2017, the Charity has moved from recognising income and expenditure on a receipts and payments basis to an accruals basis. The prior year figures have been restated to reflect this change. Opening reserves for the year ended 31 March 2016 were increased by £685 to reflect the Gift Aid recoverable at the end of the previous accounting period. Income from donations and Net Income for the year were reduced by a net £100 respectively.

Current year donations would have been lower by £2,161, expenditure would have been £5,448 lower while net income would have been £3,287 higher on the previous basis.

The Trustees are of the opinion that accruals accounting better reflects the financial position of the Charity.

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period.

**The Linacre Institute
Notes to the Accounts
for the year ended 31 March 2017**

Note

2 Accounting policies

2.1 INCOME

Recognition of income

Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the trustees will receive the resources; and
- the monetary value can be measured with sufficient reliability.

Offsetting

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP.

Grants and donations

Grants and donations are only included in the SoFA when the general income recognition criteria are met (5.10 to 5.12 FRS 102 SORP).

Tax reclaims on donations and gifts

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor has specified otherwise.

Contractual income and performance related grants

This is only included in the SoFA once the charity has provided the related services or met the performance related conditions.

Donated services and facilities

Donated services and facilities are not included in the SoFA. Donated services and facilities are consumed immediately and therefore have no impact on the funds carried forward. Any donated services and facilities are described in note 4 to the accounts.

Support costs

The charity has incurred expenditure on support costs.

Volunteer help

The value of any voluntary help received is not included in the accounts but is described in note 4 to the accounts.

2.2 EXPENDITURE AND LIABILITIES

Liability recognition

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance and Support costs

Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Support costs include central functions and have been allocated between raising funds, governance and charitable activities on a basis consistent with the use of resources.

Deferred income

No material item of deferred income has been included in the accounts.

Creditors

Creditors are measured at settlement amounts.

2.3 ASSETS

Debtors and accrued income

Debtors and accrued income are measured at the cash amount expected to be received.

The Linacre Institute
Notes to the Accounts
for the year ended 31 March 2017

Note

3 Analysis of Income

		2017	2016
		£	(restated)
		£	£
Donations:	Donations	34,550	19,941
	Gift Aid	7,713	4,779
	General grants provided by other charities	2,500	-
	Total	<u>44,763</u>	<u>24,720</u>
Charitable activities:			
	Fees paid by participating schools	8,400	9,580
	Total	<u>8,400</u>	<u>9,580</u>
TOTAL INCOME		<u>53,163</u>	<u>34,300</u>

4 Donated facilities and services

Cambridge University hosts one of the summer schools and does not charge the Charity. It provides accommodation and meals for the students and tutors. These donated services and facilities have not been recognised in the accounts.

The Charity relies on a number of volunteers to provide some teaching, administration support and fundraising. Although these services are of significant benefit to the Charity, no value has been attributed to them for accounting purposes.

The Linacre Institute
Notes to the Accounts
for the year ended 31 March 2017

Note

5 Analysis of expenditure

	2017	2016
	£	£
Expenditure on raising funds:		
Incurred seeking donations	5,473	5,273
Staging fundraising events	557	-
Direct mail and publicity	2,700	-
Database development costs	381	446
	<u>9,111</u>	<u>5,719</u>
Total expenditure on raising funds	<u>9,111</u>	<u>5,719</u>
Expenditure on charitable activities		
Student selection process	1,315	1,029
Westminster Summer School	9,216	7,665
Cambridge Summer School	3,532	3,755
Reach Higher tutor programme	3,415	590
Director's fees	11,176	10,325
Governance	3,197	22
Support costs	2,094	1,311
HGS Residential	-	489
	<u>33,945</u>	<u>25,186</u>
Total expenditure on charitable activities	<u>33,945</u>	<u>25,186</u>
TOTAL EXPENDITURE	<u>43,056</u>	<u>30,905</u>

As described in the Report of the Trustees, the delivery of the Charity's "Reach Higher" programme is at the core of its activities. Expenditure on charitable activities is, accordingly, analysed to reflect this."

The Director's fees amounting to £18,627 (2016: £15,487) have been allocated 60% (2016: 66.67%) to charitable activities, 20% (2016: 33.33%) to raising funds and 20% (2016: Nil) to governance.

6 Support Costs

Governance costs of £4,262 have been allocated 25% to fundraising and 75% to charitable activities, reflecting the time spent by the director.

Support costs attributable to charitable activities have been included in that category. All other costs, such as rent, have been allocated 20% each to fundraising and governance and 60% to charitable activities.

The Linacre Institute
Notes to the Accounts
for the year ended 31 March 2017

Notes

7 Fees for examination of the accounts and other tax and legal work

No amounts have been paid to the Independent Examiner for the scrutiny of the accounts (2016: £Nil)

All tax and legal advice has been provided on a pro bono basis.

8 Paid employees

There were no paid employees in 2017 (2016:Nil)

9 Debtors

Analysis of debtors

	2017	2016
	£	(restated)
		£
Accrued income: Gift Aid recoverable	2,746	585
Total	<u>2,746</u>	<u>585</u>

10 Creditors and accruals following due within one year

Analysis of creditors

	2017	2016
	£	£
Accruals and deferred income	<u>5,488</u>	-
Total	<u>5,488</u>	<u>-</u>

11 Cash at bank and in hand

	2017	2016
	£	£
Cash at bank and in hand	25,994	12,600
Total	<u>25,994</u>	<u>12,600</u>

12 Related party transactions and trustees' expenses and remuneration

Monies are paid to the director, who is also a trustee, for his time on a self-employed basis. The fees were £18,627 (2016: £15,487). The director was also paid £960 (2016: £160) for the use of office space for 2 days a week and £840 for tutoring provided by him and his wife. Otherwise the trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind.

The total amount of donations made by the trustees, whether they were trustees for the full year or otherwise, and their close family members total £16,959 (2016: £4,395)

Independent examiner's report to the trustees of The Linacre Institute

I report to the trustees on my examination of the accounts of The Linacre Institute (The Institute) for the year ended 31 March 2017.

Responsibilities and basis of report

As the charity trustees of the Institute you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Institute's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Institute as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Signed:



James Sullivan ACMA/CGMA

Chartered Institute of Management Accountants

16 Brincliffe Close, Walton, Chesterfield, Derbyshire. S40 3DU

Date: 29/1/2018