

## INTEGRATED EDUCATION FUND – REFERENCE AND ADMINISTRATIVE DETAILS

### DIRECTORS, APRIL 2017 – MARCH 2018

Dr Andrew Biggart (retired 21.09.17)

Ken Cathcart *Chair*

Grainne Clarke

David Cooke *Deputy Chair*

Marie Cowan

Roderick Downer

Barry Gilligan *Treasurer*

Errol Lemon

Richard Lemon OBE

Barbara McAtamney (from 21.02.18)

Paddy McIntyre OBE *Deputy Chair*

Michael McKernan

Ellen McVea

Mary Roulston (from 13.12.17)

David Thompson

Dorothee Wagner *Deputy Treasurer*

### SENIOR MANAGEMENT STAFF

Tina Merron (Chief Executive)

Jill Caskey (Parental Engagement Manager)

Paul Caskey (Head of Campaign)

Sam Fitzsimmons (Head of Communications)

Janine Turner (Head of Operations)

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**CHARITY REGISTRATION NIC104886**

**COMPANIES HOUSE NI636289**

**HMRC NUMBER NI00545**

### BANKERS

Danske Bank

Business Plus

PO Box 183, Donegall Square West

Belfast BT1 6JS

Davy Private Clients UK

Donegall House

7 Donegall Square North

Belfast BT1 5GB

First Trust Bank

Business and Corporate Banking

PO Box 123, 92 Ann Street

Belfast BT1 3AY

Lloyds Bank

6<sup>th</sup> Floor

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London EC2N 1HZ

### IEF REGISTERED OFFICE

Cleaver Fulton & Rankin

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Belfast BT2 7FW

### SOLICITORS

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Progressive Building Society

Progressive House

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Ulster Bank

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NI Central Investment Fund for Charities

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1-7 Bedford Street

Belfast BT2 7EG

### AUDITOR

Finegan Gibson Ltd

Causeway Tower, 9 James Street South

Belfast BT2 8DN

# **Integrated Education Fund**

**Company Limited by Guarantee**

**Trustees' Annual Report (Incorporating the Directors' Report)**

**Period ended 31 March 2018**

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## 1. OPERATING CONTEXT FOR THE YEAR

The year 2017/18 represented a significant step forward for the Integrated Education Fund (IEF) in Northern Ireland despite the absence of a devolved local Executive since January 2017.

The publication of *Integration Works* in December 2017, by the Department of Education in Northern Ireland, was the most positive guidance ever produced in the history of integrated education and was distributed to all schools in Northern Ireland by the Department. This document, together with the momentum created by our Parental Engagement Campaign and the development of our Integrate My School website, breathed fresh life into the work of the Fund and the potential for the future expansion and growth of integrated education. Consequently, more schools than ever before are now considering the benefits of transforming to integrated status and more parents than ever before are now aware of the role they can play in creating an integrated choice for their child's education.

The strengthening of the statutory duty to encourage and facilitate integrated education following the 2014 Judicial Review taken by Drumragh Integrated College continued to have significant impact. This was evidenced by the closer working relationship with the Department of Education and by the growing number of development proposals approved for existing integrated schools seeking to expand to meet demand.

Throughout the year the Fund continued to present its vision for the future of education based on greater integration through structural change and by placing communities at the heart of education planning. We successfully demonstrated how local communities can have their say in area planning by developing models of community engagement and polling. Such work, together with our parental and community outreach activities, helped strengthen grassroots action to bring about change and encouraged further political debate on the need for education reform and policy change.

The absence of devolved government and an Education Minister presented significant challenges. Firstly, many of the recommendations contained within the Independent Review of Integrated Education, commissioned by the Department of Education, and published in March 2017 have yet to be implemented. Secondly, the financial aspect of the Fresh Start Agreement signed by the Executive and supported by the UK Government, experienced significant delay. Successful implementation of Fresh Start would have seen significant capital support for shared and integrated education building projects.

Regardless of political obstacles, the IEF, in its 25<sup>th</sup> year as a charitable foundation, continued to fundraise to support parental demand for integrated education and assist the expansion of existing integrated schools and transformation of other schools to integrated status. Our work ensured that the issue of integrated education not only remained firmly on the agenda but will have a strong platform on which to move forward with further success.

## **2. STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **2.1 Mandate**

The mandate of the IEF is derived from the expressed demand of parents and individual schools who seek integrated education for their children and pupils.

### **2.2 Governing document**

The Integrated Education Fund (IEF) was established in 1992 as a charitable trust to provide a financial foundation for the development and growth of integrated education in Northern Ireland. Until April 2016 it was governed by its Deed of Trust, dated 17 February 1992. In early 2016 the IEF completed the process of incorporation in order to give the Fund a stronger, more secure legal identity, and has been operating as a charitable company limited by guarantee since 01 April 2016. The IEF is registered with Companies House (NI636289) and the Charity Commission for Northern Ireland (NIC104886) and is recognised as a charity for tax purposes under HMRC reference NI00545.

### **2.3 Board of Directors**

The Fund is managed by a Board of Directors which currently has its full complement of 15 members. Each Director may serve for three years after which period they may put themselves forward for re-appointment for a second or further term, however no member may serve longer than six years or, if so resolved by all the then Directors in accordance with the Memorandum and Articles of Association, nine years continuously.

The Board meets on an annual basis to agree the broad strategy and areas of activity for the Fund, and meets up to eleven times per year for the consideration of the Fund's activities including grant making; advocacy work; fundraising; parental engagement; investment; reserves, risk management and other policies and procedures; and performance.

The Board keeps the skill requirements for Directors under review and in the event of a vacancy arising on the Board, or if any additional new Directors are required, methods such as advertising (eg via the IEF website or by direct mailing to all integrated schools), or personal referral are used to recruit new members. The ultimate decision on selection is a matter for the Board.

During 2017/18 Dr Andrew Biggart retired from the Board, and two new members joined – Mary Roulston and Barbara McAtamney.

The IEF works closely with the Northern Ireland Council for Integrated Education at all levels with, for example, the two Chairs meeting on a quarterly basis, and the Chief Executive Officers also meet every month for updating and discussion of current issues.

### **2.4 Director induction and training**

The induction process for any newly-appointed Director comprises an initial meeting with the Chair and the Chief Executive, followed by a series of briefing meetings with key members of staff. The financial structure of the Fund, the strategic vision, the Board and

decision making processes, policies and procedures, and the financial performance of the charity are discussed in detail. Any training needs are also discussed.

## **2.5 Organisation and committees**

The Board administers the charity; the day to day operations of the IEF are managed by the Chief Executive, appointed by the Board, and her staff. To facilitate effective operations the Board has delegated authority to the Chief Executive for operational matters including finance, human resources etc.

The Board has delegated specific powers to a small number of committees:

◆ The Grants Committee has been delegated powers to consider in detail applications to the IEF for funding and to make recommendations to the full IEF Board. The Committee also develops new grant programmes, as funding becomes available, to ensure that the most critical needs of schools and groups are addressed, and that the programmes have maximum impact and deliver maximum value for money. The Committee is made up of six Directors and the Chief Executive.

◆ The Advocacy Working Group has been set up by the IEF Board to drive forward change by overseeing the work being carried out in relation to communications, public relations, public affairs and community engagement. It is made up of seven current Directors, one former Director and the Chair of the Campaign Council.

◆ The Staffing Committee has been delegated responsibility for ensuring compliance with IEF policies and procedures, and compliance with legal requirements, with regard to staffing, and to make recommendations to the Board as appropriate. The Committee is made up of two Directors, the Chief Executive and the Head of Operations. The day-to-day management of Human Resources is delegated to the Head of Operations.

◆ The Risk Management Committee, on behalf of the Board, identifies and assesses risks to the IEF, and reviews the controls which are in place. The Committee is made up of three Directors including the Chair and Treasurer, and the Chief Executive and the Head of Operations.

These four committees meet as often as is required.

In addition to the Board of Directors and its committees, the IEF also has a Campaign Council to provide advice and guidance for its major gift fundraising campaign. David Montgomery is President of the campaign, and the Council is chaired by Baroness May Blood and serviced executively by the Fund's Chief Executive and Head of Campaign. The campaign is further supported by volunteers in London and Belfast.

## **2.6 Pay policy for senior staff**

The Board of Directors considers Directors and the Senior Management Team to be the key management personnel of the charity in charge of directing and controlling, running and operating the IEF on a day to day basis. All Directors give of their time freely and no Director received remuneration in the year. Details of Director expenses are disclosed in Note 18 to the accounts.

In view of the nature of the charity and its economy of operations, the Directors benchmark staff salaries both against NJC payscales and other charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles. NJC payscales are local government payscales extensively used in the voluntary and community sector. They result from negotiations between trade unions and Local Government Employers and any agreed increase in the rates of pay are reflected in IEF salaries. Senior, and all other staff, also receive annual increments, subject to a satisfactory annual appraisal, until they reach the top of their particular pay band. The total number of staff in the year was 11.

## **2.7 Risk management**

The Board of Directors is responsible for the management of risks faced by the Integrated Education Fund. Detailed consideration of risk is delegated to the Risk Management Committee.

Risks are identified and assessed, and controls are established throughout the year. A formal review of the charity's risk management processes, including the risk register, is undertaken as required.

The key controls used by the IEF include:

- established organisational and governance structure and lines of reporting
- detailed terms of reference for all committees
- comprehensive financial planning, budgeting and management accounting
- formal written policies and hierarchical authorisation and approval levels
- regular review of current risks to the Fund

Through the risk management processes established for the Fund, Directors are satisfied that the major risks identified are being adequately managed. It is recognised that systems can provide reasonable but not absolute assurance that major risks have been adequately managed.

As part of ongoing risk management, and as important aspects of best practice, monitoring and evaluation are used by the IEF. As well as internal monitoring and controls, external evaluations of various aspects of the Fund's work are carried out by evaluators experienced in these fields.

The IEF Grants Committee carries out internal appraisals of grant programmes, with regular external evaluations as required, depending on the size, scope and timescale of the programmes.

The firm of Finegan Gibson, responsible for the annual financial audit of the IEF, also reports to the IEF Board on, for example, any Audit and Financial Reporting Issues and Internal Controls in order to meet the mandatory requirements of International Standards on Auditing (UK and Ireland).

### **3. OBJECTIVES AND ACTIVITIES**

#### **3.1 Purposes of the charity**

The purposes of the Integrated Education Fund are the furtherance of integrated education in Northern Ireland whether directly or indirectly and by any lawful and charitable means.

The Directors confirm that they have referred to the Charity Commission's guidance on public benefit when implementing the Fund's strategic plan, reviewing its objectives and planning future activities.

#### **3.2 Strategic plan**

The IEF was established for the furtherance of integrated education in Northern Ireland. Integrated education brings together in each school, pupils, staff and governors from both the Protestant and Catholic traditions. The integrated school provides a learning environment where children and young people from these backgrounds, as well as those of other faiths and none, can learn with, from and about each other. The children learn together, side by side, in the same classrooms each day. Integrated schools are open to all and are all-ability. The ethos of integrated education includes the development of skills, structures and relationships that enable schools, pupils and their parents, staff and governors and the wider community to increase their understanding, acceptance and respect for political, cultural and religious difference. When the first integrated schools were established, the focus was primarily on the Protestant and Catholic traditions; the growth in minority faiths and the development of greater cultural diversity in Northern Ireland means that, today, the promotion of equality and good relations extends to everyone in the school and to their families regardless of their religious, cultural or social background. The contribution of integrated education to a more reconciled society was recognised in legislation in the 1989 Education Reform Order and furthermore in 1998 with the Good Friday/Belfast Agreement, an Agreement endorsed by the majority of citizens in Northern Ireland. However, as Northern Ireland moves through this transition from conflict through sustained peace and toward a stable society, the IEF is still needed because there is inadequate statutory planning for the development of integrated education, and insufficient places to meet parental demand.

Northern Ireland maintains a system that educates its children separately, both by religious background and measurements of ability. Approximately 90% of pupils from both main traditions in Northern Ireland, Protestant and Catholic, remain in schools that largely or exclusively educate only one side of the community. Northern Ireland also maintains a largely separate system of teacher training. Consequently, pupil interactions are mostly with peers, teachers and others from their own community, with limited opportunity to explore and engage with other beliefs and attitudes. Only 65 schools are formally integrated and there are even fewer schools with a significant religious mix. Without change, the vast majority of parents will never have the opportunity for their children to be educated together. The IEF recognises that all schools must be able to play a part, whether through moving to formal integrated status, through increased meaningful shared education between schools of a different ethos, or by all schools being inclusive spaces in policy and practice.

Children educated together can become better prepared for the increasingly global world we all live in - prepared to expect, understand and embrace difference.

Through the IEF's strategic plan for 2014 – 17, *Opening Minds*, the Fund sought to seize the opportunities presented by the changing societal, educational and economic context in Northern Ireland.

The IEF's specific objectives for the three years were to:

- Strive to secure access to integrated education for those who choose it through the growth and development of integrated school places in response to parental demand and the securing of an initial 10% of all school places
- Support innovative programmes of integration which facilitate the building of trust, mutual respect and appreciation for diversity between different schools, as well as supporting work associated with minority ethnic pupils and challenging racism and sectarianism.
- Secure increased wide ranging civic support to bring about policy and structural change in education to increase the number of integrated places and influence policy towards a unified education system.
- Raise £5.355million to deliver on these objectives

Northern Ireland cannot afford to wait to change how we educate our children. The cost of inaction will mean another generation of children growing up with limited contact with the 'other community' and limited experience of diversity. In the ways outlined in this report we seek to open minds to the benefits of educating our children together. It needs to be the norm – not the exception.

The main activities undertaken to achieve the Fund's objectives have been in terms of grant making, fundraising, and advocacy. The Fund's work with parents and local communities, and other outreach activities, has been undertaken by the advocacy team, but the success and, consequently the increasing demands of this work, has led the Fund to establish a separate parental engagement team.

## **4. ACHIEVEMENTS AND PERFORMANCE**

### **4.1 Grant making - Effective funding programmes**

In order to support the growth in integrated school places to an initial 10% as well as support innovative programmes of integration, the IEF promotes and manages a number of grant programmes, each with its own criteria against which applications are assessed and grants made.

#### **4.1.1 Existing integrated schools**

In 2017/18 the particular focus has been on the integrated schools which have had their development proposals for growth approved by the Department of Education. In total, in 2017/18 four development proposals have been approved (three for post primary and one for double enrolment in a primary), and three have been rejected, all of which were for either additional or new nursery places. There are a number of development proposals that

are still awaiting a decision, one from October 2016 and three from November 2017, all involving nursery units.

The approvals for increased places and provision are a recognition and acknowledgment of the ongoing demand from parents for more integrated school places. In 2017/18 there were “over 23,000 pupils enrolled in integrated schools – almost 10,900 in primary schools and more than 12,000 in post-primary schools. The number enrolled has increased by almost 500 pupils ... (mainly at primary level)...compared to last year, and over 1,500 pupils compared to five years ago.” (DE Statistical Bulletin 2/2018)

DE agreed that existing IEF reserves of £262,010 could be used to support this approved growth and grants of £20,000 each were given to 6 primary schools to support double enrolment and £12,910 each for the other 11 schools (mainly post primary). This provided essential financial support for all of these 17 schools.

The Growing Pains issue (i.e. lost funding due to DE policy based on thresholds) has now been resolved, however many of the schools have suffered financially over several years and there have been no ‘back payments’ made by DE to cover the growth in previous years. This is evident when reviewing schools finances as many have used all their reserves to support their growth.

The IEF also provides support when schools face other challenges - each school is at a different stage in terms of growth and so the level and type of support needed varies from school to school. For example, whilst some schools have been approved for Fresh Start Agreement funding, the delay in providing the additional accommodation whilst the school is growing has meant that store rooms and other spaces have had to be converted into small teaching rooms (as in Integrated College Dungannon).

#### **4.1.2 Schools considering transforming**

The Fund is continuing to work with four schools considering transformation. Each school will take whatever length of time is appropriate for their particular circumstances to consider what integration would mean for them. Grants from the IEF enable teachers, governors, parents and the wider school community to be involved in the process of deciding what they want for their school. Some schools may decide to continue the journey to transformation, others may not.

#### **4.1.3 Transformed integrated schools**

Funding for Mallusk and Loughries Integrated Primary Schools, which transformed in September 2015, and Killyleagh Integrated Primary School which transformed in September 2016, has enabled the schools to publicise their new status and encourage enrolments from the wider community.

#### **4.1.4 Parent groups seeking integrated education provision**

The IEF’s work with parents is described in detail in section 4.4 of this report.

#### **4.1.5 Integrated AlumNI**

The Integrated Schools Alumni Association, now known as the Integrated AlumNI, is a network of past pupils of integrated and other schools. There are active groups in Northern Ireland as well as London, Edinburgh and Liverpool. The association is using funding from the IEF, the Open Society Foundations, Turnaround Foundation and the Belfast Trust for

Integrated Education (BELTIE) to provide structured support for each area, recruit more members and develop their advocacy work over the coming months. The association's key event, now in its third year, is a Schools Roadshow when the Alumni members go 'back to school' to talk to sixth formers about third level education and their possible career paths. Over 25 Alumni members took part this year although the weather in early March was unkind and this did limit some of the college visits. The Alumni in Northern Ireland now has over 100 members with recruitment taking place, for example, through the two universities' Fresher Days. A new website [www.integratedalumni.org](http://www.integratedalumni.org) has been created along with active social media platforms including Facebook, Twitter and Instagram to help with promotion and grow their presence. The Alumni now have charitable status and help on a regular basis with the IEF's fundraising and advocacy work.

#### **4.1.6 The Trust Programme**

The Trust Programme, in its third grant round, provided a total of £65,549 to 17 integrated schools to support the 'Integration in Practice' element of the programme i.e. for schools wishing to further develop and embed the ethos and practice of integration within their own school. In some cases, integrated schools located close to each other have worked together, with their parents and governors, to renew their integration. The IEF is delighted that the Pears Foundation has continued their support for this valuable work.

#### **4.1.7 Restricted and other grants**

The IEF has been supported generously over the years by Atlantic Philanthropies Foundation and in 2017/18 the Fund spent the final balance of the £750,000 grant given by Atlantic in 2012/13. This funding has been invaluable over the years and has supported all the staff costs with regards to the development of the Integrate My School website (see section 4.4), and provided grants to help existing schools grow and other schools progress on their transformation journey. The security and confidence that the funding provided, enabled the IEF to develop the strong Parental Engagement Campaign that we have today.

Funding from the Turnaround Foundation has enabled the Association of Principals of Integrated Schools (APTIS) to create bursaries for integrated schools to work together to share good practice. This new initiative has created some exciting projects that will be shared with all integrated schools at the November 2018 APTIS Conference. In addition, this significant donation is supporting the Trust Programme, evidence based research, growing schools, the Parental Engagement Campaign and the Alumni.

As well as providing financial support to schools and projects through its various grant making programmes, the IEF also administers restricted donations received for specific purposes. The IEF works closely with the Ireland Funds and each year we receive a number of donor advised donations for school projects. During 17/18 we also benefited from a prestigious Flagship Grant for our Integrate My School campaign. Other examples include support from the Magheramorne Foundation for additional resources at Rowandale and Portaferry Integrated Primary Schools and a major grant from John Wilson Memorial Trust (Ulster Carpets) for Brownlow Integrated College which augmented a programme of work assisting the wellbeing of students. The Legal Education Foundation also provided a grant to assist Hazelwood Integrated College's participation in the finals of the esteemed Bar Mock Trials in London.

The Carson Awards are also funded by restricted donations; the Carson family are long-standing, active supporters of integrated education and the Awards give students in

integrated schools an opportunity to develop and display their creative skills through bursaries and a prize competition.

The IEF was delighted to receive a second grant from Building Change Trust to further develop the Community Conversation as outlined in section 4.3.2 of this report, for the Carnlough and Glenarm area.

## **4.2 Major gift fundraising – Supporting the growth and development of integrated education**

Fundraising underpins all aspects of the Fund’s work – the IEF does not receive any core funding for its work other than that provided by its generous donors.

The IEF’s need to fundraise remains because the government does not yet plan effectively to meet demand for integrated education. Financial support is needed to work with parents, local communities and schools wanting to access integrated education. Parents need to know how they can create an integrated choice for their child and be supported with information and guidance. Communities need to know how their opinions can be considered when planning education in their local area. Transforming schools need to be helped on their journey to integrated status through additional training, practical support and marketing. All this work takes financial and practical support from the IEF. The Fund also needs to effect policy change so that one day the need for the Fund will be diminished or even removed altogether.

The IEF sets financial targets to achieve these objectives and therefore needs to secure new donors and retain the commitment of existing supporters. To do this effectively, the Fund needs to make a clear and compelling case for support and have the ability to deliver results.

The IEF Campaign Council, chaired by Baroness May Blood, and comprising a number of the Fund’s key donors and supporters, continues to meet twice per year. The Council provides invaluable advice and guidance to the Campaign, supporting the objectives of advocacy to change the segregated nature of our education system, and the funding of the IEF’s grant making function which supports parents and schools on the ground.

The fundraising target for 2017/18 was £750,000 and the following key actions were undertaken to achieve this target.

### **4.2.1 Planned events**

The Fundraising Team organised and delivered a series of planned enlistment and fundraising events to assist both prospect development and income generation. In Northern Ireland, a special Anniversary Dinner was held at the Europa Hotel in October to celebrate 25 years of the Fund. Over 300 guests were treated to performances by David Jackson, from *The Voice*, and jazz singer Victoria Geelan, both of whom are former integrated school students. Also lending their support were comedian Tim McGarry from the popular TV show, *The Blame Game*, and the choir of Hazelwood Integrated College. During the dinner, guests enjoyed a presentation from Baroness May Blood as well as watching a series of short films showcasing how IEF support had benefited individual schools. Thanks to some very generous auction prizes donated by IEF supporters, the event netted over £24,000.

During 2017/18 the IEF was honoured to be chosen by the Mayor of Ards and North Down as one of her 'Mayoral Charities' alongside the local branches of the Samaritans and the RNLI. A number of events took place throughout the year, culminating in a Gala Ball at the Clondeboye Hotel in June 2017. The combined efforts of the Mayor and the charities meant over £24,000 was shared between the three good causes.

In March 2018, supporters Colin and Anne McIlheney hosted a lunch for some of our closest donors in Northern Ireland to help the Fund lay the groundwork for its next Development Plan. The discussion helped steer the Fund in terms of key objectives and actions going forward.

The Fund was also involved in a number of special projects. In May 2017, the creative talent in integrated primary schools was evident once again at Garden Show Ireland with the eye catching Scarecrow Street. 29 scarecrows from integrated primary schools, the highest number ever, adorned Antrim Castle Gardens. The competition was sponsored by Allianz, and organised by the IEF.

In October 2017, the Carson Awards Showcase took place at New-Bridge Integrated College, Loughbrickland. The event included drama, short film, artwork and musical performances from integrated primaries and colleges, all celebrating 'what integrated education means to me'. The participation of acclaimed local actors Dan Gordon and Adrian Dunbar ensured the event was a great success and the IEF is indebted to Tony Carson and his family for their continued support.

Local music legends, Stiff Little Fingers, continued their support throughout 2017/18, which included an opportunity for the IEF to raise funds at their sell-out performance at Belfast's Custom House Square in August. The band commissioned a special T-Shirt for the concert which was sold in aid of the Fund and a number of staff and volunteers helped with a bucket collection outside the venue. This, together with a number of other initiatives raised over £5,500.

In London our Campaign President, David Montgomery, and his wife Sophie, very generously hosted a summer drinks reception for friends of the IEF in their own home in June 2017. David, Baroness Blood and actor Adrian Dunbar updated guests on progress with the Campaign.

The now annual House of Lords 'Thank you' dinner with Baroness Blood was once again a great success. The November 2017 event, generously sponsored by the Carson family, attracted over 100 supporters and the special guest speaker was 'UK Teacher of the Year 2017', Marie Thompson from Malone Integrated College.

A special London comedy night entitled Class Acts featured a number of major stars and helped raise the profile of the Fund significantly, thanks in part to a media partnership with The Irish Post. Supporter Wendy Wason secured the services, gratis, of Al 'Pub Landlord' Murray, Sara Pascoe, Aisling Bea, Carl Donnelly, Jarlath Regan and Shane Todd. Musical entertainment was provided by Heavyball, a band with strong connections to integrated education in Omagh.

In the United States, the work of the Fund was profiled by the Eithne and Paddy Fitzpatrick Memorial Fund during their Golf Day in May 2017 which will support the new Children's

Centre at Omagh Integrated Primary School. In September 2017, the Northern Ireland Fundraising Manager, Brian Small, attended the Kevin Curley Shamrock Shoot-Out Golf Tournament in Dallas. This continued a long standing relationship between the tournament, the IEF and Cranmore IPS.

Internationally, the Fund continued to work closely with organisations like the worldwide Ireland Funds and the Irish American Partnership. The IEF was honoured to be chosen as a Flagship Grantee of the Ireland Funds which will provide significant support to our Integrate My School Campaign. We are greatly indebted to all our friends around the world who not only fund specific projects in integrated schools, but also promote integrated education and the work of the Fund whenever there is an opportunity.

Closer to home, we are grateful for the Irish Government's continuing support for the work of the IEF through its Department of Foreign Affairs Reconciliation Fund.

#### **4.2.2 New prospect development**

Reaching out to potential new supporters is an essential part of our work as we seek to increase our fundraising and advocacy capacity. As well as our own fundraising and enlistment activities, the IEF attends events organised by the Northern Ireland Chamber of Commerce and Women in Business. In London, the IEF is often represented at the Irish International Business Network. This helps the IEF to network and introduce the cause to new groups.

#### **4.2.3 Existing supporter development**

The Fund benefits from a high level of support from its existing donor base for which it is very grateful. As well as personal meetings we use a number of different communication methods, such as our Learning Together newsletter, ezines, e-mail and social media to keep our supporters up to date and convey our appreciation. The annual sponsored House of Lords 'Thank you' dinner is a great way to show our gratitude and allow donors to hear first-hand from beneficiaries of the Fund's grant making.

#### **4.2.4 Other trusts and foundations**

Developing relationships with other trusts and foundations is a very important part of the Fund's work. The Open Society Foundations (OSF) have extended their support with a new grant supporting our parental and community engagement, as well as the professional development of teachers in integrated schools with a focus on anti-bias and anti-racism.

We also work closely with the Pears Foundation who continued their support with a further major contribution to the IEF's Trust Programme. This funding enables integrated schools to develop new integration in practice projects which make a vital contribution to their integrated and inclusive ethos.

The fundraising team aims to build on the above successes in the years ahead.

#### **4.2.5 Gifts in kind**

The IEF is indebted to the many people and organisations who provide support 'in kind'. Besides volunteering, we have many examples of people giving their time freely to speak and perform at our events, provide venues and hospitality free of charge for meetings and receptions, and donate items to benefit fundraising or indeed the schools directly. For example, the entertainers who gave their time freely to perform at the 25<sup>th</sup> Anniversary Gala

in Belfast or the Class Acts Comedy Night in London. Leyland Paint in Carrickfergus regularly donate paint to benefit a large number of the schools. Supporters such Colin and Anne McIlheney, and David and Sophie Montgomery, provided facilities for supporter events and New-Bridge Integrated College gave the IEF use of the College for our Carson Awards Showcase. Terry Cross regularly provides gifts to benefit our fundraising events. There are too many people and organisations to list here but rest assured we are extremely grateful for such support.

### **4.3 Advocacy – Engaging at a political, educational and individual level**

The Fund's report last year reflected on the slow pace of progress on the restoration of the Northern Ireland Executive and regrettably there has been absolutely no development since then and little optimism that Northern Ireland will have its devolved institutions up and running anytime soon.

The 20<sup>th</sup> Anniversary of the Good Friday/Belfast Agreement has loomed large over our political landscape, highlighting the failure of politicians and the political process to deliver on their commitments in relation to the segregated structures in housing and education and the lack of any real progress in reconciling the divided nature of our society.

However, this political vacuum has provided the space for the Fund to amplify both at public and political level the importance and relevance of integrated education in contributing to a more reconciled and cohesive society. The Fund communicates at all levels about its work through its Learning Together newsletter, ezines, e-mail and social media. Underpinning the work is our focus on building and developing, with political, civic and community influencers, a common vision for a more inclusive and integrated education system.

#### **4.3.1 Policy and public affairs**

A core area of this work is direct political engagement with elected representatives, special advisors and policy officers. We have built on existing relationships as well as developing new relationships within all of the political parties in our efforts to highlight the need for structural change of our education system.

We continue to partner with the Northern Ireland Council for Integrated Education (NICIE) in advocating for the development and growth of integrated education. An important area of this joint approach includes attending political conferences to ensure maximum engagement and visibility of the campaign. This year we have attended the DUP, Sinn Fein, UUP, Alliance, SDLP and Green Party conferences.

#### **4.3.2 Building the Evidence**

- **Community Conversations - Consultation Mechanism**

We have continued working with, and supporting, the statutory planning authorities in identifying demand for integrated education and developing solutions to meet those demands. As part of this commitment, the Fund, alongside Ulster University's School of Education, has developed the Community Conversation consultation mechanism. This consultation model has been recognised by officials within the Department of Education, the Education Authority and the Council for Catholic Maintained Schools as having the potential to enable the planning authorities and sectoral support bodies to access a meaningful evidence base for change which is supported by the community.

Working with Ulster University and supported by the Education Authority we have delivered a Community Conversation in the Glenarm and Carnlough area which highlighted the need for greater access to integrated provision in the area. The planning authorities are now considering the outcome of this consultation.

A key objective for the Fund is to establish the Community Conversation mechanism as a key feature of the area planning process. We will continue to work towards ensuring that this mechanism is incorporated within the area planning process for schools.

- **NI Wide Attitudinal Poll**

The Fund continues to seek evidence of public opinion in order to inform our campaign. The Fund commissioned LucidTalk, an independent polling and market research agency, to research views on the current education system.

The poll which was published in March found the majority of the 1520 people responding of the province wide survey would support changes to the education system to make better use of the budget. There was strong support for integrated education with 67% of parents saying they would support a proposal for their school to become officially integrated. This was echoed in a survey commissioned for Sky News, which found 69% support for integrated education.

#### **4.3.3 Media Relations**

Media coverage has remained high with the full spectrum of fundraising, grants, research and political engagement reported frequently in all major media outlets.

Our media relations approach reflects and underpins the work of the Fund. We have maintained our focus on building and developing media relations, seeking to inform editors, journalists and opinion formers across all print, broadcast and digital media outlets.

#### **4.4 Parental Engagement - Empowering parents**

Since the Parental Engagement Campaign launched in February 2017 there has been steady growth in parental engagement with the Integrate My School (IMS) website. Parent registrations on the site are growing but we continue to keep the campaign strategy under review, making adjustments to plans and activities as necessary. For example, our online platform now encourages more interaction with parents and we are constantly working to make the registration process as user friendly as possible. We also added the option for Nursery School registrations on the platform, due to growing support for the integrated option at this level from parents.

The campaign has become more strategic as it has developed, aligning our outreach and school engagement with target areas and strategic partnerships. These partnerships involve both grass roots engagement and more collaborative working with organisations such as the NI Housing Executive (NIHE).

We invested heavily in advertising for the campaign initially and whilst this fell short of our expectations in terms of the number of parental registrations we received, we found instead that parents' awareness of the transformation process increased greatly. Lucid Talk (an independent polling company) carried out research in February which showed that there was a 30% increase in parents' awareness of transformation between 2011 and 2018

#### **4.4.1 Integration Works**

In January 2018 the Department of Education (DE) sent guidance to all schools called *Integration Works*. This document detailed the process of transformation for all schools, and the positivity in detailing the transformation process shows the development in support from the DE.

Following the release of this guidance the IEF hosted, with NICIE, an *Integration Works* event to build on the momentum surrounding its release. Over 20 schools attended this event, and we have been working alongside NICIE to support these schools to explore transformation. Two schools have currently received an Exploring Transformation grant from the IEF and we hope that others will follow in the next academic year, once schools have completed their regular reconstitution of their Board of Governors in early autumn.

#### **4.4.2 Community Outreach**

To help more schools successfully transform to integrated status we began engaging with local communities in a number of areas to develop support and break down any misconceptions about integrated education.

This process can be slow and its success can be hard to judge although, through building relationships and galvanizing support, we have found it to be vitally important to gain a deeper understanding of the local community and address any potential barriers to a school's transformation.

#### **4.4.3 Parental Engagement**

To help grow the support of parents who have registered on IMS, we regularly create e-zines to make sure parents are updated with relevant information on parent engagement events and activities in their area these take place at a wide range of the venues likely to be visited by families, such as leisure centres, libraries and shopping centres. We have also invited parents for an informal discussion to talk about transformation and how we can help support them, by engaging with other people locally or helping to establish parental action groups.

#### **4.4.4. Wider Outreach**

Both the parental and community outreach, although targeted in local areas, is supported by a busy calendar of wider outreach events to continue to grow support regionally for transformation. For example, this year we have already promoted IMS at a number of different public shows and cultural events such as Balmoral Show in May and the Belfast Mela in August.

## **5 FINANCIAL REVIEW**

### **5.1 Principal funding sources**

The Integrated Education Fund charitable trust was established in 1992 with money from the European Union Structural Funds, the Department of Education (NI), the Nuffield Foundation and the Joseph Rowntree Charitable Trust. The IEF became incorporated in 2016 and continues to work from its capital base which is supported by its major gift fundraising campaign, (receiving donations from individuals, businesses and other trusts and foundations), income generating events, and investment income.

The Fund also acts as an intermediary body to administer grants and donations on behalf of other outside funding bodies and individuals.

Total expenditure this year was £1,351,275 compared with £998,592 in the previous year. Total income was £1,389,605 compared with £881,868 in the previous year. Charitable activities accounted for 84% of all expenditure and the cost of generating funds 16%. In 2016/17 the comparative figures were 81% and 19%. This year there was a net gain, after recognised gains and losses were considered, of £65,539 compared to a net loss of £96,643 in the previous year. The gain of £65,539 is made up of a net gain of £97,834 in unrestricted reserves and a net loss of £32,295 deducted from restricted reserves.

The IEF continues to be very fortunate that donors Sir Harvey and Lady Allison McGrath are providing significant funding through The McGrath Trust to support the work of the Fund. The final balance of funding from an earlier Atlantic Philanthropies grant provided significant support this year specifically for transformation and parental engagement work. The IEF is extremely grateful for the commitment and encouragement of these donors.

## **5.2 Investment powers and policy**

Under the Memorandum and Articles of Association, the charity has the power to invest in whatever ways the Directors think appropriate. The Directors, having regard to the liquidity requirements of the current grant making programmes, the financial requirements of potential independent schools and to the reserves policy, have determined that available funds are kept in interest bearing deposit accounts, spreading the risk across a number of banks.

In addition, since 2013/14 the IEF has had funds invested in the Northern Ireland Central Investment Fund for Charities (NICIFC) with the aim of securing a better return than that offered by deposit accounts. NICIFC is administered by the Department for Social Development and is classified in the IEF accounts as an investment.

The day to day operation of the IEF is conducted through the Ulster Bank. During 2017/18 IEF funds were deposited with the Danske Bank, Davy Private Clients UK, First Trust Bank, Lloyds Bank, Progressive Building Society, and Ulster Bank. The level of funds held as cash in these banks i.e. £2.387million in total, will be reduced when outstanding grant commitments are paid out during 2018/19.

## **5.3 Reserves policy**

### **5.3.1 Reserves policy - Unrestricted reserves**

When first established in 1992, the Fund received endowments totalling over £2million. Between 1997 and 2009, the IEF financially supported a number of integrated schools which the government had refused to fund and so, whilst the majority of these schools grew and eventually received government funding, over time the IEF reserves were depleted.

At the end of March 2018 the IEF had £1,678,819 in unrestricted reserves. Directors are aware that, in terms of reserves, 6 months running costs is generally seen as an acceptable level which, for the IEF, would be £370,000, however the IEF cannot predict in advance what opportunities may occur which schools would want to respond to eg parental demand for a preschool etc. In addition, fundraising is by its very nature unpredictable and, whilst

budgets are set according to the overall targets for raising funds, the level of unrestricted to restricted income will vary year on year, whether or not the overall fundraising targets are met. It is therefore IEF policy to hold a relatively high level of unrestricted reserves to cover grant making, running costs, projects planned for 2018/19 and potential fluctuations in unrestricted donations.

Projections regarding the utilisation of unrestricted reserves, based on estimates of income and expenditure for the current financial year and following two years, are brought to the Board of Directors every six months for discussion, and to meetings of the Risk Management Committee, as part of forward financial planning.

### **5.3.2 Reserves policy - Restricted reserves**

At the end of March 2018 the IEF had £1,051,336 in restricted reserves. This balance will fluctuate during the coming year as other restricted donations are received and/or as the funds are used in accordance with the donors' wishes and IEF grant making policy. As agreed with the Department of Education, £262,010 in restricted funds was used during 2017/18 to support integrated schools with DE approved development proposals for growth.

### **5.4 Grant making powers and policy**

The Board of Directors has delegated powers to a Grants Committee to carry out the IEF's Grant Making Policy which includes:

- i. To ensure that the grant making process is fair and equitable at all times and to establish and agree criteria for grant programmes.
- ii. To ensure that grants meet the terms and objectives of the original funders.
- iii. To uphold the reputation of the Fund as a grant making organisation that is clearly focused, fair, accountable and consistent.
- iv. To be the link between the schools (grantees) and the Board (grantors).
- v. To consider in detail applications to the IEF for funding and to make recommendations to the full IEF Board. The Board ultimately has executive power over grant allocations, the Grants Committee has executive power at an operational level for anomalies arising within existing live grants.
- vi. To ensure on-going financial and operational monitoring of programmes, measuring the outcomes of projects against stated aims and objectives.

### **5.5 Other significant events that have affected financial performance**

There have been no significant events that have affected the IEF's financial performance in 2017/18.

## **6. PLANS FOR FUTURE PERIODS**

The IEF is excited about the opportunities arising for the further development of integrated education.

We have good reason to be optimistic for the future given continued public support, the strengthening of the statutory duty to 'encourage and facilitate integrated education', the Department's *Integration Works* positive guidance for all schools, and our planned

programme of activities with parents, schools and local communities. Now is the time to capitalise on the growing realisation that our current divided education system is unsustainable and that obstacles and blockages impeding the growth of integrated education need to be removed. Increased integrated education will bring social, educational and economic benefit to Northern Ireland.

The IEF is currently in the final stages of preparing its new Strategic Vision for the three year period 2018-2021 which will be launched in the summer of 2018 and detail how we will seek to empower parents, empower schools and effect policy change.

We will continue to support the growth and development of integrated school places in response to parental demand to secure an initial 10% of all school places by 2021 and work towards a government commitment of 30% by 2031. Yet we realise that to fully achieve such goals will require integrated education to be planned for by government.

In the meantime the IEF will continue to support parents and individual schools. But it must not be left to them alone. Therefore our advocacy will focus on building civic and political support to bring about policy and structural change. A key focus will be to ensure that the Fund's advocacy work informs the development of each political party's policies on education which ultimately will become embedded in any future Programme for Government.

Our future work will involve exploring possibilities for school transformation in areas that are indicated in the Education Authority Area Plans, by schools themselves, or where parental interest is highlighted by research and polling. This work will also include developing our partnership with the Northern Ireland Housing Executive around shared housing and integrated education provision.

The Parental Engagement Campaign will grow more parent groups and we will work closely with grass roots community organisations to gather further support. *Integration Works* information events for schools will help promote the transformation option and our grants will help support schools who are on the transformation journey.

All the above will be done in strategic partnership with NICIE.

Yes much remains to be done, however we will always recognise that little can be achieved without the generosity and support of so many individuals and organisations. Our fundraising campaign will need to continue and ambitious targets will need to be reached. We are confident that the campaign, under the leadership of Baroness May Blood, supported by the Board of Directors and Campaign Council, will continue to work with friends and supporters to ensure success in the years ahead.

To everyone who helps us in so many ways, may I say a resounding thank you.

## **7. FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS - SISTER ANNA CHARITABLE TRUST**

The Sr Anna Charitable Trust is a Restricted Capital Fund set up with the IEF by the late Sr Anna in 2004 with the interest from the Trust to be used to contribute to the support of Lagan College Chaplains. The Trust funds are managed by Davy Private Clients UK.

In the financial year 2017/18, the interest earned was £7005 (an increase on the previous year's £6,125.82) and this was transferred to Lagan College on 19 April 2017.

Market performance has led to a decrease in the capital sum invested from £189,306 in 2016/17 to £180,292 in 2017/18.

## **8. TRUSTEES' RESPONSIBILITIES STATEMENT**

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP
- make judgments and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

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

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Ken Cathcart  
Chair, Integrated Education Fund

22 August 2018