

# **Westside Education Trust**

## **Annual Report and Unaudited Financial Statements**

31 August 2019

Charity Registration Number  
1170872 (England and Wales)

## Legal and administrative information

<b>Trustees</b>	N Basden T Corbett S Evans J Hepburn
<b>Principal address</b>	Galena House 8-30 Galena Road London W6 0LT
<b>Charity registration number</b>	1170872 (England and Wales)
<b>Bankers</b>	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
<b>Independent examiner</b>	Hugh Swainson Buzzacott LLP 130 Wood Street London EC2V 6DL

## Contents

### Reports

Trustees' report	1
Independent examiner's report	6

### Financial Statements

Statement of financial activities	7
Balance sheet	8
Principal accounting policies	9
Notes to the financial statements	12

The Trustees of the Trust present their statutory report together with the accounts of Westside Education Trust (WET) ('the Trust') for the year ended 31 August 2019.

The accounts have been prepared in accordance with the accounting policies set out on pages 9 to 11 of the attached accounts and comply with the Trust's Constitution, applicable laws, accounting standards (United Kingdom Generally Accepted Accounting Practice) 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 United Kingdom and Republic of Ireland (FRS 102).

### **Objectives and activities**

The Trust was established as a Charitable Incorporated Organisation (CIO) on 21 December 2016. The Trust's objects are the advancement of education for the public benefit. The policies adopted in furtherance of these objects are to provide grants, other finance, services, advocacy/advice/information and to act as a resource body. There has been no change in these objectives during the year.

WET is a Charitable Trust with the purposes of promoting the Westside model of small-school alternative provision, based on high standards and individual support, for students who have been excluded or are at risk of exclusion from mainstream education. At the same time, WET supports the wider Alternative Provision (AP) sector and in particular the Association of Alternative Education Providers (AAEP), a membership network of outstanding AP schools that works to gather and disseminate best practice; lobby policy-makers; and raise the profile of the AP sector.

The Board of Trustees have paid due regard to guidance on public benefit issued by the Charity Commission in deciding what activities the Trust should undertake.

### **Achievements and performance**

WET is governed by four Trustees, the Chair is Sarah Evans and the other Trustees are: Nick Basden, Tim Corbett and John Hepburn. Carol-Anne Alcock acts as a consultant for the Trust. She was selected, based on her wealth of experience in the education sector and in particular, working with vulnerable students. Michelle Byrne manages the website, the link with other AP schools and funding applications. Michelle also sends out a newsletter with any pertinent articles or information on conferences or workshops being hosted by the AAEP, and she leads in the organisation and planning of these conferences.

The main activity of WET in 2018/19 was to consolidate the founding aims and objectives of the network of AP schools, continue linking AP schools, spreading best practice within the network, and promoting the successes of the strong AP schools. The association held its second national AP sector conference in June 2019 and planned for a third in 2020.

The conference discussed the new OFSTED framework, data from the different AP schools, the need for more speech and language therapy, and ran a number of workshops on topics chosen by the network members.

### **Achievements and performance** (continued)

As well as developing the Association Network, WET has been involved in lobbying and profile-raising initiatives, including:

- ◆ teacher training to include a period in an AP school; and
- ◆ working with the Centre for Social Justice on AP reform.

During the year, the Trustees agreed to change the name of the Trust next year to better reflect the wider sector. In preparation for doing so it was also agreed to invite advisors with outstanding AP experience from other geographical regions of the United Kingdom. Cost cutting measures were put in place to reduce overheads while fundraising efforts were stopped in the transition. Grant making was also reduced, while deciding on priorities as a organisation with a wider focus.

Recent national reports have raised the profile of the needs of vulnerable students and hopefully the strong profile of some APs. There are 48,000 children excluded each year, and this number is rising. The majority of AP schools, 83%, are very good, but there are strong regional differences, e.g. in the north east, there is not one Good or Outstanding AP. Amongst the AP schools in the AAEP, 100% of all Year 11 students were placed in destinations after their GCSE exams last year.

### **Plans for the future**

The Trust aims to continue to support the spreading of effective practice that ensures children no longer in mainstream have the best possible outcomes.

The trust will continue to do this in a variety of ways:

- ◆ Lobbying policy makers;
- ◆ Ensuring WET continues to be outstanding as an example of what can be achieved with the most challenging and vulnerable young people plus so to encourage Headteachers and Local Authorities to visit the School;
- ◆ Encouraging Headteachers and Las to visit outstanding AP schools;
- ◆ Visiting APs country-wide in order to support and assess the impact of practices in the different settings; and
- ◆ Set up research to document successes.

### **Covid-19**

Since the end of the financial year, the Covid-19 pandemic has changed the shape and nature of the world. It has impacted not only the basic nature of social interactions but has also had a significant economic impact at every level in ways which have been outside of the charitable company's control.

Whilst there will undoubtedly be challenges ahead, the trustees do not expect material concerns to arise over the charitable company's financial position.

### **Covid-19 (continued)**

#### *Conference in 2020*

Due to Covid-19, the annual conference that was planned for the end of the academic year has had to be put on hold and all the delegates and speakers have been informed. We are aware that the Autumn term will be challenging for the education sector so we are hoping to have a mini-conference in the spring-term and an annual conference in July 2021.

#### *Future Plans*

The impact of Covid-19 means that visits planned to AP nationally since 20 March 2020 have had to be cancelled. However, contact has been made with a number of AP and support has been provided through Zoom, email and MS Team calls. As soon as restrictions are lifted, visits to and from schools will recommence.

#### *Financial Impact*

As a result of Covid-19, the lettings timetable has been suspended which has an impact on the usual income of the Trust. However, there are reserves in the Trust and in Westside Community Enterprises Limited (the entity which provides donations to the Trust – see note 9) to cover the next 12 months. In addition, we are getting requests for letting our halls for ballet where social distancing can occur, however, it has been decided by the school to put all lettings on hold till September 2020.

### **Financial review**

#### ***Results for the year***

A summary of the year's results can be found on page 7 of this report and accounts.

Income amounted to £100,000 (2018 – £112,107), of which £80,000 (2018 – £64,557) was received from Westside Community Enterprises Limited and £20,000 (2018 – £47,550) was derived from other donations. Expenditure amounted to £97,667 (2018 – £92,893). This balance comprised £94,833 (2018 – £88,898) of staff costs and £2,834 (2018 – £3,995) of support costs.

The accounts for 2019 show a net increase in funds of £2,333 (2018 – increase of £19,214).

The total net assets in the balance sheet of £85,464 (2018 – £83,131) are stated at market value and funds are unrestricted.

It is confirmed that the Trust's funds and anticipated income for the coming year is adequate to fulfil the planned charitable activities of the Trust.

#### ***Reserves policy***

The policy of the Trust is that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The board of Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Trust's current activities while consideration is given to ways in which additional funds may be raised.

## **Financial review (continued)**

### ***Reserves policy (continued)***

At 31 December 2019, the free reserves of the Trust amounted to £85,464 (2018 – £83,131), which the Trustees believe is sufficient in the above context.

Given the challenges that will arise in the short to medium term as a result of Covid-19, this level of reserves is deemed appropriate and the trustees are content that the charity is a going concern.

## **Governance, structure and management**

### ***Appointment of Trustees and key management personnel***

All Trustees have given their time freely and no Trustee remuneration was paid in the year. Trustees are appointed by the existing board, selected to meet the needs of the Trust.

A new Trustee or new Trustees may be appointed at any time (either by way of replacement or addition). Trustees serve for three years after which they may put themselves forward for re-appointment. The Trustee Board shall consist of at least two persons but (unless otherwise determined by the Trustees) there shall be no maximum number of Trustees that may be appointed.

A Trustee may be appointed or discharged by a resolution of a meeting of the Trustees, provided that a memorandum declaring such appointment or discharge shall be signed as a deed, either at the meeting by the person presiding or in some other manner directed by the meeting and affected by two persons present at the meeting.

The Trustees meet as often as it needs to be effective. At Trustees' meetings, the Trustees agree the board strategy and areas of activity, including considering grant making, investment, reserves and risk management policies and performance.

### ***Risk management***

With the exception of the challenges faced because of the Covid-19 pandemic (see above), the trustees have considered the major risks to which the Trust is exposed to and have reviewed those risks and established systems and procedures to manage those risks.

The major operational risk is the extent to which our grants successfully meet the Trust's objectives. The Trustees manage this risk by retaining Trustees of sufficient expertise and skill and gaining advice from experts in the field so as to ensure that their activities continue to meet our charitable objectives.

**Governance, structure and management** (continued)

***Statement of Trustees' responsibilities***

The Trustees are responsible for preparing the Trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Trust and of the incoming resources and application of resources of the Trust for that period. In preparing these accounts, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the accounts comply with the Charities Act 2011, applicable Charity (Accounts and Reports) Regulations and the provisions of the governing documents. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees and signed on their behalf by:

Sarah Evans

Trustee

Approved by the Trustees on: 17 June 2020

**Independent examiner's report to the members of Westside Education Trust**

I report to the board of Trustees on my examination of the accounts of the Trust for the year ended 31 August 2019.

**Responsibilities and basis of report**

As the board of Trustees of the Trust 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 Trust'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 my examination giving me cause to believe that in any material respect:

- ◆ accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- ◆ The accounts do not accord with those records; or
- ◆ 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.

Hugh Swainson, FCA  
for and on behalf of Buzzacott LLP  
130 Wood Street  
London  
EC2V 6DL

17 June 2020

**Statement of financial activities** Year to 31 August 2019

	Notes	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
<b>Income from:</b>			
Donations	1	<b>100,000</b>	112,107
<b>Expenditure on:</b>			
Charitable activities	2	<b>(97,667)</b>	(92,893)
<b>Net income for the year and net movement in funds</b>		<b>2,333</b>	19,214
<b>Reconciliation of funds:</b>			
At 1 September 2018		<b>83,131</b>	63,917
At 31 August 2019		<b>85,464</b>	83,131

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing operations during the above two financial periods.

**Balance sheet** 31 August 2019

	Notes	2019 £	2019 £	2018 £	2018 £
<b>Current assets:</b>					
Debtors	7	30,000		64,557	
Cash at bank and in hand		<u>59,559</u>		<u>20,976</u>	
		<b>89,559</b>		<b>85,533</b>	
<b>Creditors:</b> amounts falling due within one year	8	<u>(4,095)</u>		<u>(2,402)</u>	
<b>Net current assets and net assets</b>			<b>85,464</b>		<b>83,131</b>
<b>The funds of the Trust:</b>					
Unrestricted income funds			<b>85,464</b>		<b>83,131</b>

Approved by the board of Trustees and signed on their behalf by:

Sarah Evans

Trustee

Date: 17 June 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

Westside Education Trust is a Charitable Incorporated Organisation (CIO).

#### **Basis of preparation**

These accounts have been prepared for the year to 31 August 2019. Comparative information is provided in respect to the year to 31 August 2018.

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

The accounts 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 United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

#### **Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the Trustees to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include the allocation of support costs.

In addition to the above, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy. Estimates of future income and expenditure flows have been made in assessing the impact of the pandemic on the charity's financial position and on its going concern (see below).

#### **Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

Trustees acknowledge and recognise the potential impact of the Covid-19 pandemic on the future operations of the charity, its beneficiaries, partners and stakeholders and wider society. The reduced opportunities for scheduled face to face interaction may well impact on the ability to plan effectively for the medium term but it is not anticipated at the current time that the overall financial position of the charity will be adversely affected or its financial solvency threatened.

**Assessment of going concern** (continued)

The Trustees are of the opinion that the Trust will have sufficient resources to meet its liabilities as they fall due.

**Income recognition**

Income is recognised in the period in which the Trust has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Donations are recognised when the Trust has confirmation of both the amount and the settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that the donation is subject to conditions that require a level of performance before the Trust is entitled to the funds, the income is deferred and not recognised until either the conditions are fully met, or the fulfilment of these conditions are wholly within the control of the Trust and it is probable that these conditions will be fulfilled in the reporting period.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs.

Expenditure on charitable activities comprises staff costs and support costs.

All expenditure is statement inclusive of irrecoverable VAT.

**Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the Trust it is necessary to provide support in the form of administrative services.

Governance costs comprise the costs involving the public accountability of the Trust (including audit costs) and costs in respect of its compliance with regulation and good practice.

Support costs and governance costs are apportioned directly to the one charitable activity.

**Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

**Cash at bank and in hand and short term deposits**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

**Creditors**

Creditors are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors are recognised at the amount the Trust anticipates it will pay to settle the debt.

**Fund structure**

The unrestricted income fund represents funds available for the general charitable purposes of the Trust at the discretion of the Trustees.

**Cash flow**

The accounts do not include a statement of cash flows because the Trust is exempt from the requirement to prepare such a statement under the Charities SORP (FRS 102) Update Bulletin 1.

**1 Income from: donations**

	Total 2019 £	Total 2018 £
Donations		
. Westside Community Enterprises Limited	80,000	64,557
. Other gifts and donations	20,000	47,550
	<b>100,000</b>	<b>112,107</b>

**2 Expenditure on: charitable activities**

	Total 2019 £	Total 2018 £
Staff costs (note 5)	94,833	88,898
Support costs (note 3)	1,584	1,475
Governance costs (note 4)	1,250	2,520
	<b>97,667</b>	<b>92,893</b>

**3 Support costs**

	Total 2019 £	Total 2018 £
Website costs	977	—
Travel and subsistence	202	1,430
Insurance	345	—
Bank charges	60	45
<b>Total</b>	<b>1,584</b>	<b>1,475</b>

**4 Governance costs**

	Total 2019 £	Total 2018 £
Independent examiner's remuneration		
. Current year	1,000	1,500
Accountancy fees	250	600
Governors' meeting expenses	—	420
<b>Total</b>	<b>1,250</b>	<b>2,520</b>

**5 Staff costs and Trustees' remuneration**

	2019 £	2018 £
Gross salaries	35,000	20,618
Social security costs	4,830	3,280
	<b>39,830</b>	<b>23,898</b>
Consultancy fees	55,003	65,000
	<b>94,833</b>	<b>88,898</b>

**5 Staff costs and Trustees' remuneration (continued)**

There was one employee during the year (2018 – one employee) who was involved in the co-ordination and direction of the work of the Trust. No employees received remuneration in excess of £60,000 during the year (2018 – none).

No Trustee received any remuneration in respect of their services during the period (2018 – none).

No Trustees were reimbursed for expenditure incurred in the performance of their duties during the period (2018 – none).

The key management personnel of the Trust in charge of directing and controlling the Trust comprise the Trustees. The total remuneration (including taxable benefits but excluding employer's pension contributions) of the key management personnel for the period was £nil (2018 – £nil).

**6 Taxation**

The Westside Education Trust is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

**7 Debtors: amounts falling due within one year**

	2019 £	2018 £
Other debtors	30,000	64,557

**8 Creditors: amounts falling due within one year**

	2019 £	2018 £
Accruals and deferred income	4,095	2,402
	4,095	2,402

**9 Related party transactions**

Westside Education Trust received a donation of £80,000 (2018 – £64,557) in the year to 31 December 2019 from Westside Community Enterprises Limited, which is a trading subsidiary of Westside Academy Trust. Two of the Trustees of Westside Education Trust are also directors of Westside Academy Trust. Other debtors comprises £30,000 (2018 – £64,557) due from Westside Community Enterprises Limited.

Two of the Trustees are also Trustees of Westside Academy Trust. Carol-Anne Alcock is also a Trustee of Westside Academy Trust as well as being the sole Director of Edukid Limited through which consultancy services are provided to Westside Education Trust. During the year to 31 August 2019, these consultancy services totalled £55,003 (2018 – £65,000).

There were no other related party transactions during the year (2018 – none).