

**PROSPECT EDUCATION TRUST**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

## PROSPECT EDUCATION TRUST

### CONTENTS

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	Page
<b>Reference and Administrative Details of the Trust, its Trustees and Advisers</b>	1
<b>Trustees' Report</b>	2 - 10
<b>Trustees' Responsibilities Statement</b>	11
<b>Independent Auditors' Report on the Financial Statements</b>	12 - 14
<b>Consolidated Statement of Financial Activities</b>	15
<b>Consolidated Balance Sheet</b>	16
<b>Trust Balance Sheet</b>	17
<b>Consolidated Statement of Cash Flows</b>	18
<b>Notes to the Financial Statements</b>	19 - 34

## PROSPECT EDUCATION TRUST

### REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2019

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<b>Trustees</b>	A Mitchell <sup>1</sup> D Turner M Smith L Hamilton <sup>1</sup> A S Leflaive G M Leflaive B Small  <sup>1</sup> Campus Administrators
<b>Charity registered number</b>	1045736
<b>Registered office</b>	Prospect Education Trust Focus School - Berkeley Campus Wanswell Berkeley GL13 9RS
<b>Department for Education number</b>	801/6027
<b>Auditors</b>	Bishop Fleming LLP Chartered Accountants 10 Temple Back Bristol BS1 6FL
<b>Bankers</b>	HSBC Bank Plc 817 Bath Road Brislington Bristol BS4 5NR  CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ
<b>Trading Company</b>	Novus Trading Ltd Unit 1 St Ivel Way Warmley Bristol BS30 8TY

Novus Trading Limited is the wholly owned trading subsidiary company of the Trust and its activities are therefore consolidated into the financial statements of the Trust.

# PROSPECT EDUCATION TRUST

## TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

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The Trustees present their annual report together with the audited financial statements of the Trust for the year 1 January 2019 to 31 December 2019.

### OBJECTIVES AND ACTIVITIES

#### a. Objects

The charitable objects of the Trust are the advancement of the education of children and young people. The objects also include any other charitable purpose for the benefit of the worldwide Christian fellowship known as the Plymouth Brethren Christian Church.

In furtherance of its objects, the Trust operates an independent school based in Berkeley, Gloucestershire, (the "School"), which educates 153 pupils from 7 to 18.

#### b. Aims

##### Ethos

Students are encouraged to develop their full potential and acquire the discipline of learning how to learn, while upholding Christian teachings and beliefs.

The truth and authority of the Holy Bible and strong family values underpin the commitment of the School to provide quality in every facet of education – curriculum, teachers, facilities, management and discipline - in a safe and caring environment.

##### Values

The Trustees are drawn from the Brethren community and the School is committed to a way of life that is governed by the Holy Bible, expecting the conduct of pupils and staff consistently to reflect Biblical values and the specific values of the School, which include:

- Integrity – uprightness, honesty and decorous conduct, governed by the Holy Bible;
- Care & Compassion – kindness, consideration and generosity to all;
- Respect – for all people, property, opinions and authority;
- Responsibility – for our actions, progress and environment;
- Commitment – to self-discipline and the pursuit of excellence.

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**OBJECTIVES AND ACTIVITIES (CONTINUED)**

**c. Activities for achieving objectives**

The School provides an education for 153 of children from 7 to 18 in a selection of subjects.

Pupils who attend the School are expected to act in accordance with the doctrines and practices of the Brethren, but there is no other academic or financial selection process for admission to the School.

The curriculum is designed to provide opportunities for pupils of varied abilities and interests. The subjects offered are in line with the National Curriculum and cover key learning areas. There is an increasing focus on encouraging and developing self-directed learning principles with students.

The curriculum includes English, Maths, History, Science, Geography, Art & Graphics, French, Accounts, Citizenship, RMT, Food & Nutrition, Business Studies, PSHE, IT/Keyboarding and Swimming. Physical education is mandatory and all students are expected to take part.

The aim is to provide a broad and balanced curriculum which promotes personal development and prepares students for increasing independence and responsibility.

The Trustees encourage the use of a wide variety of high quality educational material and resources (including computers, multi-media, video-conferencing, and learning management systems).

Excursions take place as an extension to classroom learning and to provide experiences that cannot be gained in the classroom.

The Trust is committed to safeguarding and promoting the welfare of our pupils, and we expect all staff and volunteers to share this commitment. The School provides parents with newsletters and other communications sent throughout the year giving them information about their child's performance and the wider School activities.

The School relies in large part on professional academic assessments to measure the success of its teaching. School assessments are designed to assist teachers in monitoring the progress of students, identifying learning difficulties and reporting on achievements to parents and guardians. Assessments include tests, examinations and assessment tasks, which provide feedback to students on their strengths and weaknesses and achievement levels. Students also take national examinations at the appropriate key stages.

The School also measures its success through the results of its inspections by the School Inspection Service, an independent body approved by the Secretary of State for Education and monitored by Ofsted. The most recent report (dated November 2017), the inspectors found that the School achieved Outstanding in all 4 sections of the inspection:

- The quality of education
- Pupils personal development
- Safeguarding pupils' welfare Health & Safety
- Leadership, management & governance

The Trustees have, for some time, been reviewing and considering the basis on which they operate the Trust and in undertaking such review have concluded that it is prudent to consolidate the Trust along with other Trusts so that they are operated by a single charitable Trust.

OneSchool Global UK was incorporated for that purpose and, whilst recognising the responsibilities of each relevant local community, it is considered that the advantages of such consolidation are considerable and that in particular it will allow:

- (a) delivery of a single entity to provide a single employer of school staff;
- (b) delivery of positive learning outcomes in line with a single, Global vision; and
- (c) maximisation of the benefits of a UK-wide ecosystem.

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**OBJECTIVES AND ACTIVITIES (CONTINUED)**

The consolidation was undertaken on 01st September 2019 by means of the transfer of the operations of the Operating Trust or Combined Trust to OneSchool Global UK; and the entry into new leases between each Property Trust or Combined Trust and OneSchool Global UK as from the 01st January 2020.

**d. Focus Learning Trust / OneSchool Global UK**

Up until the 31st May 2019, The Trust was affiliated to Focus Learning Trust (registered charity number 1099725), which provided educational, operational and financial support to the Trust and to a number of similar charities operating Schools linked with the Plymouth Brethren Christian Church.

From the 01st June 2019 the Trust became affiliated to OneSchool Global UK (registered charity number 1181301), which like Focus Learning Trust, up to the date of transfer, provided educational, operational and financial support to the Trust and to a number of similar charities operating Schools linked with the Plymouth Brethren Christian Church.

**e. Volunteer Contribution**

The School was run by volunteer executives, some of whom may be parents of pupils. However, the Trust employs professional teachers to provide day to day management and to teach the pupils.

Parents and other community volunteers drive minibuses to transport pupils to and from school and on educational trips. They also participate extensively in organising sponsored activities and entertainments to raise funds for the benefit of the school and other charitable causes.

**f. Objectives**

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit and we have had regard to it when reviewing our aims and objectives, and in planning our future activities. In particular we consider how planned activities will contribute to the educational aims and objectives we have set.

Key objectives for the year included:

- To progress Self Directed Learning (SDL) Methodology;
- To increase the use of the Virtual Learning Environment (VLE) and improve IT availability and usage;
- To maintain a broad academic curriculum with an appropriate range of GCSE/ A-level/ vocational qualification options;
- To work closely with Focus Learning Trust and other schools to enhance the quality of education through professional networking and increased CPD;
- To continuously strive to enhance and improve the co-curricular provision for pupils;
- To continue to provide first class pastoral care for pupils;
- To play our part in the life of our local community;
- To maintain the 'Management of Effectiveness' Programme in conjunction with Focus Learning Trust to improve personal and overall performance;
- To further develop and improve assessment methods.
- To continue to advance SDL learning space throughout the school to improve the learning experience of all students.

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**OBJECTIVES AND ACTIVITIES (CONTINUED)**

**g. Strategies for achieving objectives**

As described above, the Trust embarked, in conjunction with other Plymouth Brethren Schools in the UK to consolidate by the end of 2019 into one new charitable entity, OneSchool Global UK in order to continue to meet its charitable objectives in a prudent and sustainable manner within the context of a single vision. The Trust embarked on detailed plans to ensure that its objectives will be fully met and enhanced and Trustees secured legal and professional advice in order to protect and engage its students and staff throughout this consolidation.

The consolidation was undertaken on 01st September 2019 by means of the transfer of the operations of the Operating Trust or Combined Trust to OneSchool Global UK; and the entry into new leases between each Property Trust or Combined Trust and OneSchool Global UK as from the 01st January 2020.

**ACHIEVEMENTS AND PERFORMANCE**

**a. Review of activities**

- SDL learning continues to be at the forefront of the learning experience for all pupils.
- In line with national developments in the SEND Code of Practice 2014, we have worked with Focus Learning Trust to further enhance the SEND provision. Classroom inclusivity is increasingly promoted along with the concept that the class teacher takes responsibility for the learning of all pupils in their class, regardless of SEND.
- The school continues to run a beekeeping activity group, successfully maintaining 2 hives and producing honey.
- GCSE Results June 2019:

**GCSE Results 2019**

- A Progress 8 score of +0.87
- Over a quarter of all grades were 7 or above (A/A\*)
- 83% of students achieved at least 5 GCSEs grade 4 (C) or above including English and Maths

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TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Size of cohort 18

Attainment 8 57.2

Progress 8 +0.87

	16/17	17/18	18/19
Attainment 8	54.5	55.4	57.2
Progress 8	n/a	n/a	+0.87

Grade % of Results

Passed 100

4+ 84

5+ 71

6+ 44

7+ 26

8+ 12

9 7

Students achieving 4+ in at least 5 GCSEs 89%

Students achieving 5+ in at least 5 GCSEs 83%

Students achieving 4+ in at least 5 GCSEs inc. English and Maths 83%

Students achieving 5+ in at least 5 GCSEs inc. English and Maths 50%

4+ Eng & Ma	12/13	13/14	14/15	15/16	16/17	17/18	18/19
% achieved	82	68	86	80%	88	88	83

Post 16

Size of year 13 cohort 24

Breakdown of all GCE results

A or Distinction 22%

A, B, C, Credit or Merit 77%

Passed 99%

Breakdown of all A2 results

A 14%

A or B 36%

A, B or C 77%

Passed 100%

Value added all GCE results +0.31

Value added A2 results -0.09

Value added all GCE results

2013	2014	2015	2016	2017	2018	2019
-0.76	-0.8	+0.03	+0.41	+0.5	-0.13	+0.31

Percentage of results where the students met or exceeded their target

2016	2017	2018	2019
84%	78%	67%	78%

Average A2 grade C/B



**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**ACHIEVEMENTS AND PERFORMANCE (CONTINUED)**

- The School offers many Co-curricular activities including cycling proficiency, First Aid courses, photography competitions and Young Enterprise week. A Careers event is organised each year by the Year 12 & 13 students to present their skills to future employers.
- An annual Sports Day event is held jointly with the Swansea campus at a sports stadium in Cardiff.
- Musical performances are held at the end of year assembly including whole Primary school performance and Secondary student bands.
- The School continues to form and hold links with other schools in the UK and Europe through use of Virtual Classroom (VC).
- The School engages in various charitable activities including raising money for other charities such as Save the Children, British Heart Foundation, SARA and Help for Heroes.
- Many students regularly involve themselves in supporting fundraising events and trading activities for Novus Trading, the school trading company.

**b. Financial Review**

The School is supported and financed principally by School Fees, income from the Trust's trading subsidiary – Novus Trading Ltd and School fundraising events.

Grants were, up to the date of Transfer received from Focus Learning Trust and then OneSchool Global UK.

After the date of Transfer, the Trust worked and continues to work closely with OneSchool Global UK to ensure that continued funding received by the Trust, intended to support the education of its students, is donated to OneSchool Global UK in order to continue those provisions in line with the Trust's charitable objectives.

During the financial year fee relief provision was made available at the discretion of the Trustees for those who cannot afford full fees. All pupils are treated equally and in making any decisions regarding the education of a pupil, the Trustees ensure that the same attention, facilities and provision are available to all pupils, taking into account their individual needs.

Student intake numbers are naturally decreasing over the coming years which will result in a decrease in school fee income. To counter this the Trading activities continue to be increased by Novus Trading Ltd and marketing provided to the community to provide greater awareness of the importance of trading activities. The Trustees are also working on feasibility studies for school merger with nearby campus to facilitate continued high learning experiences and financial efficiencies.

The Trust considers the financial position to be satisfactory. The group received income of £1,878,428, primarily from charitable trust grants. Net outgoing resources for the period were £26,740, and net assets at the Balance Sheet date were £468,964.

**c. Future Plans**

We intend to continue to support OneSchool Global UK to provide a quality and deliver a consistent and high level of educational experience and outcome for all students and staff, in accordance with the Trust's ethos and values.

The Trust is no longer a going concern. The charity's operations have transferred to OneSchool Global UK during the year and the trust will dissolve as soon as practically possible. Whilst these financial statements are, therefore, prepared on the basis that the Trust is not a going concern, the adoption of this basis of accounting has had no significant impact on the financial statements.

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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**a. Governing Document**

Prospect Education Trust is constituted by a trust deed dated 13 March 1995, amended 15 October 1996 and 26 March 2010. The Trust is an unincorporated association and is registered with the Charity Commission, number 1045736.

**b. Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Board of Trustees has agreed pay and performance management policies for all staff and these are reviewed annually. Guidance, policies and support are provided by Focus Learning Trust (which provides educational, operational and financial support to the Trust and to a number of similar charities operating Schools linked with the Plymouth Brethren Christian Church), to which Prospect Education Trust is affiliated.

A Human Resources (HR) team headed by the HR Trustee, has responsibility to consider the pay and performance of the Headteacher. The pay of other staff personnel is set by the HR team taking account of recommendations by the Headteacher following performance management meetings.

**c. Recruitment and Appointment of Trustees**

Appointment of new Trustees is at the proposal and unanimous agreement of the existing Trustees bearing in mind the specialised nature of the charity. Trustees thus appointed will be such as have already been trained or have gained significant experience in the field in which their responsibility will lie. A formal policy has not hitherto been considered necessary.

**d. Trustee Induction and Training**

The Trust's policy for the induction of new Trustees is to introduce them to the responsibilities and activities of the Trust at Trust meetings. They are trained under the supervision of existing Trustees at these meetings and in a personal way as may be necessary. They will already have been carrying responsibility in the relevant area of the schools' administration.

**e. Risk Management**

The Trustees keep under review the issue of risk management and believe that the internal controls within the trust are adequate for an organisation of this size and nature.

The Trustees have examined the major strategic, business and operational risks which the trust faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

**f. Teacher sickness/absence**

One member of staff is dedicated to coordinate cover for teacher absence, in addition to which we have good working relationships with many teacher agencies for the provision of supply staff.

**g. Intruder and Fire**

We have a security fence which surrounds the buildings. CCTV, security and fire alarm systems are installed and monitored 24 hours by third party surveillance companies. A caretaker lives locally who is a keyholder.

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)**

**h. Organisational Structure and Decision Making**

The administration and specific functions of the Trust were managed by:

- The Trustees;
- The Management Team;
- The Senior Teacher;
- Subject Teachers (both voluntary and paid);
- The School Administration Team, including a Caretaker;
- Off-site administration, including finance, logistics, health and safety support and fundraising.

Focus Learning Trust provides advice and guidance to the Trustees on the formulation of School policies and practices and monitors expenditure of the funding it provides.

**i. Related Parties**

There are no related parties which either control or significantly influence the decisions and operations of Prospect Education Trust.

The Trustees bring a wealth of relevant business skills and other experience from their interests and professional backgrounds. No Trustee received any emoluments. Transactions with Trustees' interests during the year are disclosed in the notes to the accounts.

Novus Trading Limited (registered company number 06451874) is the wholly owned trading subsidiary company of the Trust and its activities are therefore consolidated into the financial statements of the Trust. Any surplus made by the company is donated to the Trust by way of an annual Gift Aid donation. All trading activities between the Trust and its subsidiary are eliminated on consolidation. The accounts of the company are also prepared separately.

The school operates from a property owned by Whitecroft Education Trust (registered charity number 1059446). There is only one common Trustee between the two Trusts.

The Trust is affiliated to Focus Learning Trust (registered charity number 1099725), which provides educational, operational and financial support to the Trust and to a number of similar charities operating Schools linked with the Plymouth Brethren Christian Church.

## PROSPECT EDUCATION TRUST

### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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#### DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

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

**D Turner**

Trustee

Date:

## PROSPECT EDUCATION TRUST

### STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2019

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The Trustees 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).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and the Trust and of their incoming resources and application of resources, including their 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Trust and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the Group and the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on its behalf by:

**D Turner**  
Trustee  
Date:

## **PROSPECT EDUCATION TRUST**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROSPECT EDUCATION TRUST**

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#### **OPINION**

We have audited the financial statements of Prospect Education Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Trust Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charity's affairs as at 31 December 2019 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

#### **BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **EMPHASIS OF MATTER - FINANCIAL STATEMENTS PREPARED ON A BASIS OTHER THAN GOING CONCERN**

We draw attention to note 2.2 in the financial statements, which indicates that the charity's operations have transferred to OneSchool Global UK during the year and the trust will dissolve as soon as practically possible. As a result the Trustees do not consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in note 2.2. Our opinion is not modified in respect of this matter.

## **PROSPECT EDUCATION TRUST**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROSPECT EDUCATION TRUST (CONTINUED)**

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#### **OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

#### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- the parent charitable Trust has not kept sufficient accounting records; or
- the parent charitable Trust financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **RESPONSIBILITIES OF TRUSTEES**

As explained more fully in the Trustees' Responsibilities Statement, the Trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charity or to cease operations, or have no realistic alternative but to do so.

## **PROSPECT EDUCATION TRUST**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PROSPECT EDUCATION TRUST (CONTINUED)**

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#### **AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### **USE OF OUR REPORT**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Bishop Fleming LLP**

Chartered Accountants  
Statutory Auditors  
10 Temple Back  
Bristol  
BS1 6FL

Date:

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.



**PROSPECT EDUCATION TRUST**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>INCOME FROM:</b>					
Donations and legacies	4	16,339	-	16,339	53,495
Charitable activities	5	920,423	36,459	956,882	1,099,968
Other trading activities		905,207	-	905,207	927,693
Investments		-	-	-	3
<b>TOTAL INCOME</b>		<b>1,841,969</b>	<b>36,459</b>	<b>1,878,428</b>	<b>2,081,159</b>
<b>EXPENDITURE ON:</b>					
Raising funds		728,959	-	728,959	497,678
Charitable activities	6	1,217,080	-	1,217,080	1,510,208
<b>TOTAL EXPENDITURE</b>		<b>1,946,039</b>	<b>-</b>	<b>1,946,039</b>	<b>2,007,886</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>(104,070)</b>	<b>36,459</b>	<b>(67,611)</b>	<b>73,273</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		495,704	-	495,704	422,431
Net movement in funds		(104,070)	36,459	(67,611)	73,273
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>391,634</b>	<b>36,459</b>	<b>428,093</b>	<b>495,704</b>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 19 to 34 form part of these financial statements.

**PROSPECT EDUCATION TRUST**

**CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>FIXED ASSETS</b>			
Tangible assets	11	<b>54,385</b>	150,794
		<b>54,385</b>	150,794
<b>CURRENT ASSETS</b>			
Stocks	13	<b>117,922</b>	100,958
Debtors	14	<b>445,426</b>	174,120
Cash at bank and in hand		<b>181,866</b>	225,762
		<b>745,214</b>	500,840
Creditors: amounts falling due within one year	15	<b>(371,506)</b>	(155,930)
<b>NET CURRENT ASSETS</b>		<b>373,708</b>	344,910
<b>TOTAL NET ASSETS</b>		<b>428,093</b>	495,704
<b>CHARITY FUNDS</b>			
Restricted funds	17	<b>36,459</b>	-
Unrestricted funds	17	<b>391,634</b>	495,704
<b>TOTAL FUNDS</b>		<b>428,093</b>	495,704

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

**D Turner**  
Trustee  
Date:

The notes on pages 19 to 34 form part of these financial statements.

# PROSPECT EDUCATION TRUST

## TRUST STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	11	-	89,101
Investments	12	2	2
		<u>2</u>	<u>89,103</u>
<b>CURRENT ASSETS</b>			
Debtors	14	605,783	311,959
Cash at bank and in hand		51,177	131,269
		<u>656,960</u>	<u>443,228</u>
Creditors: amounts falling due within one year	15	(272,874)	(87,934)
<b>NET CURRENT ASSETS</b>		<u>384,086</u>	<u>355,294</u>
<b>TOTAL NET ASSETS</b>		<u><u>384,088</u></u>	<u><u>444,397</u></u>
<b>CHARITY FUNDS</b>			
Restricted funds	17	36,459	-
Unrestricted funds	17	347,629	444,397
<b>TOTAL FUNDS</b>		<u><u>384,088</u></u>	<u><u>444,397</u></u>

The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:

**D Turner**

The notes on pages 19 to 34 form part of these financial statements.

**PROSPECT EDUCATION TRUST**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net cash used in operating activities	<b>(20,019)</b>	125,268
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of tangible fixed assets	<b>(23,908)</b>	(32,270)
Interest received	<b>31</b>	24
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(23,877)</b>	<b>(32,246)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>	<b>(43,896)</b>	<b>93,022</b>
Cash and cash equivalents at the beginning of the year	<b>225,762</b>	132,740
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>181,866</b>	225,762

The notes on pages 19 to 34 form part of these financial statements

## PROSPECT EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1. GENERAL INFORMATION

Prospect Education Trust is an unincorporated charity. The principal office is Prospect Education Trust, Focus School - Berkeley Campus, Wanswell, Berkeley, GL13 9RS.

#### 2. ACCOUNTING POLICIES

##### 2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements 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 financial statements 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 (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

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

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Statement of Financial Position consolidate the financial statements of the Trust and its subsidiary undertaking, Novus Trading Limited. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Trust alone as permitted by paragraph 397 of the SORP. The Trust's gross income of £974,771 (2018: £1,155,988) and expenditure of £1,176,212 (2018: £1,510,208) resulted in a deficit of £201,441 (2018: £354,220) for the year.

##### 2.2 GOING CONCERN

The charity's operations have transferred to OneSchool Global UK during the year and the trust will dissolve as soon as practically possible. The accounts have therefore been prepared on a basis other than going concern.

##### 2.3 INCOME

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

##### 2.4 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. ACCOUNTING POLICIES (continued)**

**2.4 EXPENDITURE (CONTINUED)**

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

**2.5 INTEREST RECEIVABLE**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**2.6 DONATED SERVICES AND FACILITIES**

The Trust benefits from volunteers time and organisations donating use of facilities for free. The value to the Trust of such donations is not quantifiable and is therefore not included within the financial statements.

**2.7 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets with an expected useful economic life of more than one year are capitalised at cost. Sundry items are not capitalised but are written off in the year of purchase.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using both the straight-line method and reducing balance basis.

Depreciation is provided on the following bases:

Furniture and equipment	- 2 - 10 years straight-line or reducing balance
Computer equipment	- 3 years straight-line

**2.8 INVESTMENTS**

Investments in subsidiaries are valued at cost less provision for impairment.

**2.9 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.10 DEBTORS**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**2.11 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. ACCOUNTING POLICIES (continued)**

**2.12 LIABILITIES AND PROVISIONS**

Liabilities 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.

Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

**2.13 FINANCIAL INSTRUMENTS**

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.14 PENSIONS**

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ("TPS"). This defined benefit scheme, is contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the school.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 7, the TPS is a multi-employer scheme and the Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The Trust also operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Trust pays fixed contributions into a separate entity. Once the contributions have been paid the Trust has no further payment obligations.

The contributions are recognised as an expense in the Statement of Financial Activities when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the trust in independently administered funds.

**2.15 FUND ACCOUNTING**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

## PROSPECT EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### 4. INCOME FROM DONATIONS

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Donations	16,339	<b>16,339</b>

	<b>Unrestricted funds 2018 £</b>	<b>Total funds 2018 £</b>
Donations	53,495	53,495

#### 5. INCOME FROM CHARITABLE ACTIVITIES

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Educational grants	516,208	36,459	<b>552,667</b>
Fee income	404,215	-	<b>404,215</b>
<b>Total 2019</b>	<b>920,423</b>	<b>36,459</b>	<b>956,882</b>



# PROSPECT EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 5. INCOME FROM CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted funds 2018 £	Total funds 2018 £
Educational grants	755,652	755,652
Fee income	344,316	344,316
Total 2018	<u>1,099,968</u>	<u>1,099,968</u>

### 6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

#### Summary by fund type

	Unrestricted funds 2019 £	Total funds 2019 £
Tutorial fees	617,453	<b>617,453</b>
Educational resources	115,611	<b>115,611</b>
Transport	1,967	<b>1,967</b>
Premises expenses	159,692	<b>159,692</b>
Administration	130,932	<b>130,932</b>
Trust distribution	140,000	<b>140,000</b>
Governance	10,554	<b>10,554</b>
Transfer costs	40,871	<b>40,871</b>
<b>Total 2019</b>	<u>1,217,080</u>	<u><b>1,217,080</b></u>

	Unrestricted funds 2018 £	Total funds 2018 £
Tutorial fees	915,372	915,372
Educational resources	135,136	135,136
Transport	77,281	77,281
Premises expenses	183,583	183,583
Administration	185,756	185,756
Governance	13,080	13,080
Total 2018	<u>1,510,208</u>	<u>1,510,208</u>

# PROSPECT EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES (CONTINUED)

#### Summary by fund type (continued)

### 7. AUDITORS' REMUNERATION

	2019 £	2018 £
Auditors' remuneration - audit	7,800	7,800
Auditors' remuneration - subsidiary	2,200	2,200
Auditors' remuneration - other services	5,280	5,280
	<u>7,800</u>	<u>7,800</u>

### 8. STAFF COSTS

	Group 2019 £	Group 2018 £	Trust 2019 £	Trust 2018 £
Wages and salaries	533,372	844,426	517,673	793,054
Social security costs	54,664	87,987	53,570	83,231
Other pension costs	70,424	111,073	70,166	110,985
	<u>658,460</u>	<u>1,043,486</u>	<u>641,409</u>	<u>987,270</u>

The average number of persons employed by the Trust during the year was as follows:

Group 2019 No.	Group 2018 No.
22	25
<u>22</u>	<u>25</u>

The average headcount expressed as full-time equivalents was:

Group 2019 No.	Group 2018 No.
21	23
<u>21</u>	<u>23</u>

## PROSPECT EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 8. STAFF COSTS (CONTINUED)

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	<b>Group 2019 No.</b>	<b>Group 2018 No.</b>
In the band £60,001 - £70,000	-	1

The key management personnel of the charity comprise the Trustees (who do not receive remuneration) and the Headteacher. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services during the year was £54,357 (2018: £77,622).

#### 9. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2018 - £NIL).

During the year ended 31 December 2019, no Trustee expenses have been incurred (2018 - £NIL).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**10. PENSION COMMITMENTS**

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**Valuation of the Teachers' Pension Scheme**

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £67,742 (2018: £107,045).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

**Defined Contributions Pension Scheme**

The Trust operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered fund. The pension cost charge represents contributions payable by the Trust to the fund and amounted to £2,424 (2018: £3,939). Contributions totalling £NIL (2018: £NIL) were payable to the fund at the reporting date.

**PROSPECT EDUCATION TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**11. TANGIBLE FIXED ASSETS**

**GROUP**

	<b>Fixtures and fittings £</b>	<b>Office equipment £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>COST</b>				
At 1 January 2019	248,271	-	143,695	391,966
Additions	11,165	-	12,743	23,908
Disposals to OneSchool	(159,694)	-	(156,438)	(316,132)
Disposals	(4,933)	(6,470)	-	(11,403)
At 31 December 2019	94,809	(6,470)	-	88,339
<b>DEPRECIATION</b>				
At 1 January 2019	145,376	-	95,796	241,172
Charge for the year	24,865	-	49,668	74,533
Disposals to OneSchool	(129,797)	-	(145,464)	(275,261)
On disposals	(3,010)	(3,481)	-	(6,491)
At 31 December 2019	37,434	(3,481)	-	33,953
<b>NET BOOK VALUE</b>				
At 31 December 2019	57,375	(2,989)	-	54,386
At 31 December 2018	102,895	-	47,899	150,794

**PROSPECT EDUCATION TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**11. TANGIBLE FIXED ASSETS (CONTINUED)**

**TRUST**

	<b>Fixtures and fittings £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>COST</b>			
At 1 January 2019	<b>159,152</b>	<b>143,695</b>	<b>302,847</b>
Additions	<b>542</b>	<b>12,743</b>	<b>13,285</b>
Transfers intra group	<b>(159,694)</b>	<b>(156,438)</b>	<b>(316,132)</b>
At 31 December 2019	<b>-</b>	<b>-</b>	<b>-</b>
At 1 January 2019	<b>117,950</b>	<b>95,796</b>	<b>213,746</b>
Charge for the year	<b>11,847</b>	<b>49,668</b>	<b>61,515</b>
Transfers intra group	<b>(129,797)</b>	<b>(145,464)</b>	<b>(275,261)</b>
At 31 December 2019	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET BOOK VALUE</b>			
At 31 December 2019	<b>-</b>	<b>-</b>	<b>-</b>
At 31 December 2018	<b>41,202</b>	<b>47,899</b>	<b>89,101</b>

## PROSPECT EDUCATION TRUST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 12. FIXED ASSET INVESTMENTS

Trust	Investments in subsidiary companies £
<b>MARKET VALUE</b>	
At 1 January 2019	2
<b>AT 31 DECEMBER 2019</b>	<u>2</u>

#### PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Trust:

Name	Class of shares	Holding
Novus Trading Limited	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Novus Trading Limited	903,767	(910,963)	(7,196)	44,006

Prospect Education Trust owns 100% of the issued share capital of Novus Trading Limited, a company registered in England and Wales.

Novus Trading Limited recorded a loss in the year of £7,196 (2018: £15,664 profit) after a Gift Aid donation to Prospect Education Trust of £182,003 (2018: £411,830). At 31 December 2019 the net assets of the company were £44,006 (2018: £51,311).

# PROSPECT EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

### 13. STOCKS

	<b>Group 2019 £</b>	<b>Group 2018 £</b>
Finished goods and goods for resale	<b>117,922</b>	100,958

### 14. DEBTORS

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Trust 2019 £</b>	<b>Trust 2018 £</b>
Trade debtors	<b>427,108</b>	152,934	<b>406,543</b>	87,997
Amounts owed by group undertakings	-	-	<b>190,003</b>	212,289
Other debtors	<b>18,318</b>	17,929	<b>9,237</b>	8,416
Prepayments and accrued income	-	3,257	-	3,257
	<b>445,426</b>	174,120	<b>605,783</b>	311,959

### 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Trust 2019 £</b>	<b>Trust 2018 £</b>
Trade creditors	<b>98,206</b>	61,939	<b>27,719</b>	17,000
Other taxation and social security	<b>2,276</b>	28,885	-	19,133
Other creditors	<b>32,283</b>	4,384	<b>21,191</b>	1,191
Accruals and deferred income	<b>238,741</b>	60,722	<b>223,964</b>	50,610
	<b>371,506</b>	155,930	<b>272,874</b>	87,934



PROSPECT EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

16. FINANCIAL INSTRUMENTS

	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Trust 2019 £</b>	<b>Trust 2018 £</b>
<b>FINANCIAL ASSETS</b>				
Financial assets measured at amortised cost	<b>586,260</b>	396,625	<b>451,633</b>	226,982
	<b>Group 2019 £</b>	<b>Group 2018 £</b>	<b>Trust 2019 £</b>	<b>Trust 2018 £</b>
<b>FINANCIAL LIABILITIES</b>				
Financial liabilities measured at amortised cost	<b>81,188</b>	94,320	<b>10,099</b>	41,610

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accrued expenditure.

**PROSPECT EDUCATION TRUST**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**17. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 January 2019 £	Income £	Expenditure £	Balance at 31 December 2019 £
<b>UNRESTRICTED FUNDS</b>				
General Funds	495,704	1,841,969	(1,946,039)	391,634
<b>RESTRICTED FUNDS</b>				
Restricted Fund	-	36,459	-	36,459
<b>TOTAL OF FUNDS</b>	<b>495,704</b>	<b>1,878,428</b>	<b>(1,946,039)</b>	<b>428,093</b>

**RESTRICTED FUND**

OneSchool Global Capital Grant - This is money received from OneSchool Global for expenditure on tangible fixed assets.

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 January 2018 £	Income £	Expenditure £	Balance at 31 December 2018 £
<b>UNRESTRICTED FUNDS</b>				
General Funds	422,431	2,081,159	(2,007,886)	495,704

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2019 £	Group 2018 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(67,611)	73,273
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	74,533	74,202
Interest received	(31)	(24)
Loss on the sale of fixed assets	4,914	1,530
Increase in stocks	(16,964)	(50,025)
Increase in debtors	(271,306)	(36,753)
Increase in creditors	215,575	63,065
<b>NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES</b>	<b>(60,890)</b>	<b>125,268</b>

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2019 £	Group 2018 £
Cash in hand	181,866	225,762
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>181,866</b>	<b>225,762</b>

20. ANALYSIS OF CHANGES IN NET DEBT

	At 1 January 2019 £	Cash flows £	At 31 December 2019 £
Cash at bank and in hand	225,762	(43,896)	181,866
	<b>225,762</b>	<b>(43,896)</b>	<b>181,866</b>

**21. RELATED PARTY TRANSACTIONS**

During the year, the Trust was involved in transactions with related parties as follows:

Receipts of £Nil (2018: £1,000) from Toffeln Limited - G Leflaive was a Director of Toffeln Limited for part of the year and is a Trustee of Prospect Education Trust. At the period end £Nil (2018: £1,000) was owed from Toffeln Limited.

Receipts of £Nil (2018: £2,000) from Eclipse Furniture - B Small was a partner of Eclipse Furniture and is a Trustee of Prospect Education Trust. At the period end £Nil (2018: £2,000) was owed from Eclipse Furniture.

Purchases of £225 and receipts of £Nil (2018: purchases of £835 and receipts of £1,000) from Springfield Business Papers Limited - A Leflaive is a Director of Springfield Business Papers Limited and a Trustee of Prospect Education Trust. At the period end £Nil (2018: £1,000) was owed from Springfield Business Papers Limited.

Purchases of £1,325 and receipts of £Nil (2018: purchases of £4,027 and receipts of £2,000) from Rhino Fire Control - A Mitchell is a partner of Rhino Fire Control and a Trustee of Prospect Education Trust. At the period end £2,484 (2018: £2,484) was owed to Rhino Fire Control and £Nil (2018: £2,000) was owed by Rhino Fire Control.

During the year, the Trust received school fee income of £67,089 from Trustees (2018: £47,130). £41,038 was owed by these Trustees at the end of the year (2018: £8,602).