

**THE HERON EDUCATIONAL TRUST**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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THE HERON EDUCATIONAL TRUST

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THE HERON EDUCATIONAL TRUST

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**Trustees** ACCIS Property Ltd, Trustee  
ACCIS Invements Ltd, Trustee  
ACCIS Educational (UK) Ltd, Trustee

**Charity registered  
number** 1057136

**Principal office** C/O Liquidline  
11 Holywells Close  
Ipswich  
IP3 0AW

**Independent auditor** Crowe U.K. LLP  
Fourth Floor  
St James House  
St James Square  
Cheltenham  
GL50 3PR

**Bankers** National Westminster Bank  
10 South Street  
Romford  
Essex  
RM1 1RD

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## THE HERON EDUCATIONAL TRUST

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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The Trustees of The Heron Educational Trust present their annual report and audited accounts for the year ended 31st December 2021 and confirm they comply with the requirements of the Charities Act 2011, the Trust deed, FRS102 and the Charities SORP (FRS 102).

#### Objectives and Activities

- 1) The advancement of the education of children and young people from the ages five to eighteen in particular by assistance to their parents to enable such children to be taught otherwise than at school as defined in the Education Acts 1944 to 1993.
- 2) Any other charitable purpose for the benefit of the Brethren.

In furtherance of its objects, the Trust provides one premise under formal lease for an independent school based in Stoke By Nayland Campus Sudbury Road, Stoke By Nayland, Colchester, Essex, CO6 4RW, which has been run by OneSchool Global UK (OSGUK).

The Trust also provides grant funding and other financial support to OSGUK at the discretion of the Trustees in order to enable OSGUK to provide a well balanced education at primary and secondary levels, for children and young people whose parents appreciate the Christian ethos.

Success is measured in terms of the provision of appropriate facilities to OSGUK whilst minimising expenditure. This in turn, frees up funds for raising standards of education for all concerned and for the improvement of facilities for pupils and staff alike.

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

Volunteers are an integral part of the community ethos and values of the Trust and there are strong and willing group of volunteers who assist and support the Trust throughout the year.

#### Structure, Governance and Management

The Heron Educational Trust is constituted by a Deed of Trust dated 28/06/1996, amended 07/03/1997 and is registered with the Charity Commission for England and Wales / Scotland.

The Trustees who served during the year and since the year end are set out on page 1. None of the Trustees, nor any person connected with them, received any remuneration from the Trust in the year ended 31st December 2021 (year ended 31st December 2020 £nil). The power to appoint Trustees is invested in the existing Trustees subject to the Trust Deed requirement. Trustees are selected according to their own specialism in a particular field and are expected to pursue that specialism. New Trustees are instructed in the need to completely adhere to the ethos and values of the Trust.

The Trustees have examined the major strategic, business and operational risks that the Trust faces. The Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

#### Significant Activities

Throughout the year the Trust has continued to provide educational premises in support of the educational activities of OSGUK.

On the 31st July 2021 the Trust was gifted by Larchcroft Education Trust the whole of the issued share capital of Larchcroft Trading Co Ltd ("CT LTCL") and now holds the shares in "LTCL" as a wholly owned subsidiary



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## THE HERON EDUCATIONAL TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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company, which undertakes trading activities. All profits chargeable to corporation tax are gifted to the Trust in support of the charitable activities of the Trust.

#### Financial Review

In the year ended 31st December 2021 the Group reported a net surplus of £411,273 (2020 surplus of £115,285). All funds are unrestricted.

The Trust is supported and financed principally by profits from its trading subsidiary "CTLTCL" plus other ad hoc donations and those raised by fundraising events and grants from the Grace Trust. The Trustees believe that the Trust's funds are sufficient to mitigate any short to medium term risk of reduced funding.

The Trust's fundraising events principally operate within the Brethren community and professional fundraisers are not used. Neither the Trust nor any person acting on behalf of the Trust was subject to an undertaking to be bound by any voluntary scheme for regulating fund-raising, or voluntary standard for fund-raising in respect of activities on behalf of the trust.

The Trustees' policy is to maintain minimum free reserves at a level which equates to six months' unrestricted expenditure. This is approximately £20,000. At 31st December 2021 the free reserves of the Trust were £445,121 (31st December 2020: £26,050).

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

#### Plans For Future Periods

The Trustees plan to continue to support OSGUK 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.

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



ACCIS Invesments Ltd

Trustee

Date:

26/1/23

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THE HERON EDUCATIONAL TRUST

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STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021

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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 Charity 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 Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Charity 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:



ACCIS Invesments Ltd

Trustee

Date:

26/1/23



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## THE HERON EDUCATIONAL TRUST

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HERON EDUCATIONAL TRUST

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#### Opinion

We have audited the financial statements of The Heron Educational Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity 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 2021 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 Auditor's 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.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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## THE HERON EDUCATIONAL TRUST

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HERON EDUCATIONAL TRUST (CONTINUED)

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#### Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### 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 Charity has not kept sufficient accounting records; or
- the parent Charity 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.



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## THE HERON EDUCATIONAL TRUST

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HERON EDUCATIONAL TRUST (CONTINUED)

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

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

We obtained an understanding of the legal and regulatory frameworks within which the charity operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 and the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases and reviewing regulatory correspondence.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Auditor's report.

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THE HERON EDUCATIONAL TRUST

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HERON EDUCATIONAL TRUST  
(CONTINUED)

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**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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

THIS REPORT HAS NOT YET BEEN SIGNED.

**Crowe U.K. LLP**  
Statutory Auditor  
Fourth Floor  
St James House  
St James Square  
Cheltenham  
GL50 3PR

Date:

Crowe U.K. LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE HERON EDUCATIONAL TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>				
Donations and legacies	3	362,813	362,813	155,067
Charitable activities	4	10,000	10,000	-
Other trading activities	5	776,110	776,110	-
Investments	6	7	7	20
<b>Total income</b>		<b>1,148,930</b>	<b>1,148,930</b>	<b>155,087</b>
<b>Expenditure on:</b>				
Raising funds	7	707,664	707,664	-
Charitable activities	8	29,993	29,993	39,802
<b>Total expenditure</b>		<b>737,657</b>	<b>737,657</b>	<b>39,802</b>
<b>Net movement in funds</b>	20	<b>411,273</b>	<b>411,273</b>	<b>115,285</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	20	1,089,185	1,089,185	973,900
Net movement in funds	20	411,273	411,273	115,285
<b>Total funds carried forward</b>	20	<b>1,500,458</b>	<b>1,500,458</b>	<b>1,089,185</b>

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

The notes on pages 13 to 30 form part of these financial statements.

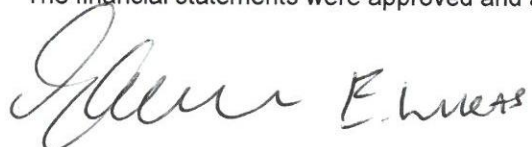


THE HERON EDUCATIONAL TRUST

CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	1,467,516	1,363,135
		<u>1,467,516</u>	<u>1,363,135</u>
<b>Current assets</b>			
Stocks	16	129,103	-
Debtors	17	64,550	823
Cash at bank and in hand		289,736	185,749
		<u>483,389</u>	<u>186,572</u>
Creditors: amounts falling due within one year	18	(280,447)	(160,522)
<b>Net current assets</b>		<u>202,942</u>	<u>26,050</u>
<b>Total assets less current liabilities</b>		<u>1,670,458</u>	<u>1,389,185</u>
Creditors: amounts falling due after more than one year	19	(170,000)	(300,000)
<b>Total net assets</b>		<u><u>1,500,458</u></u>	<u><u>1,089,185</u></u>
<b>Charity funds</b>			
Restricted funds	20	-	-
Unrestricted funds	20	1,500,458	1,089,185
<b>Total funds</b>		<u><u>1,500,458</u></u>	<u><u>1,089,185</u></u>

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



ACCIS Invesments Ltd

Trustee

Date: 26/1/23

The notes on pages 13 to 30 form part of these financial statements.

THE HERON EDUCATIONAL TRUST

CHARITY BALANCE SHEET  
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	1,391,051	1,363,135
Investments	15	252,814	-
		<u>1,643,865</u>	<u>1,363,135</u>
<b>Current assets</b>			
Debtors	17	-	823
Cash at bank and in hand		201,337	185,749
		<u>201,337</u>	<u>186,572</u>
Creditors: amounts falling due within one year	18	(139,030)	(160,522)
<b>Net current assets</b>		<u>62,307</u>	<u>26,050</u>
<b>Total assets less current liabilities</b>		<u>1,706,172</u>	<u>1,389,185</u>
Creditors: amounts falling due after more than one year	19	(170,000)	(300,000)
<b>Total net assets</b>		<u><u>1,536,172</u></u>	<u><u>1,089,185</u></u>
<b>Charity funds</b>			
Restricted funds	20	-	-
Unrestricted funds	20	1,536,172	1,089,185
<b>Total funds</b>		<u><u>1,536,172</u></u>	<u><u>1,089,185</u></u>

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

 E. Lucas

ACCIS Invesments Ltd

Trustee

Date: 26/1/23

The notes on pages 13 to 30 form part of these financial statements.

THE HERON EDUCATIONAL TRUST

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	23	393,329	134,449
<b>Cash flows from investing activities</b>			
Purchase of intangible assets		(61,349)	-
Transfer of fixed assets on acquisition of subsidiary		(77,993)	-
<b>Net cash (used in)/provided by investing activities</b>		(139,342)	-
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(150,000)	-
<b>Net cash (used in)/provided by financing activities</b>		(150,000)	-
<b>Change in cash and cash equivalents in the year</b>		103,987	134,449
Cash and cash equivalents at the beginning of the year		185,749	51,300
<b>Cash and cash equivalents at the end of the year</b>	24	289,736	185,749

The notes on pages 13 to 30 form part of these financial statements



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## THE HERON EDUCATIONAL TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1. General information

The Heron Education Trust is an unincorporated charity (no: 1057136) registered in England and Wales. The registered address is C/O Liquidline, 11 Holywells Close, Ipswich, IP3 0AW.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

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 in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Heron Educational Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has also taken advantage of the exemption available to a qualifying entity in FRS 102 for the requirement to present a Charity only statement of cash flows and certain disclosures about the charity's financial instruments within the consolidated financial statements.

No separate SOFA has been prepared for the Charity alone.

##### 2.2 Going concern

The Trustees are of the opinion that there is sufficient funding in place to continue activities of the charity. Therefore, the accounts have been prepared on a going concern basis.

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## THE HERON EDUCATIONAL TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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## 2. Accounting policies (continued)

### 2.3 Income

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

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

### 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.

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.

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

All expenditure is inclusive of irrecoverable VAT.

### 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 Intangible assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on



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## THE HERON EDUCATIONAL TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.6 Intangible assets and amortisation (continued)

a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Website	- 33 % straight line
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##### 2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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, .

Depreciation is provided on the following basis:

Land and buildings	- 1% straight line
Plant and machinery	- 25% reducing balance
Fixtures, fittings & equipment	- 20% straight line

##### 2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

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.



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## THE HERON EDUCATIONAL TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.12 Liabilities

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 Charity 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.

##### 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.

##### 2.14 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.

Investment income, gains and losses are allocated to the appropriate fund.

#### 3. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £
Donations	34,526	34,526
Grants	40,290	40,290
Leydenhatch Education Trust	35,185	35,185
Larchcroft Trading Co Ltd	252,812	252,812
	<hr/> 362,813 <hr/>	<hr/> 362,813 <hr/>

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**THE HERON EDUCATIONAL TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**3. Income from donations and legacies (continued)**

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	36,028	36,028
Legacies	15,000	15,000
Gift aid tax reclaimed and other general grants	104,039	104,039
	<u>155,067</u>	<u>155,067</u>

**4. Income from charitable activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Rent income	10,000	<b>10,000</b>	-

**5. Income from other trading activities**

**Income from non charitable trading activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Trading income - Larchcroft Trading Co Limited	776,110	<b>776,110</b>	-

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**NOTES TO THE FINANCIAL STATEMENTS  
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**6. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Interest receivable	7	7
	<u>7</u>	<u>7</u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Interest receivable	20	20
	<u>20</u>	<u>20</u>

**7. Expenditure on raising funds**

**Costs of raising voluntary income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Trading costs - Larchcroft Trading Co Ltd	707,664	707,664	-
	<u>707,664</u>	<u>707,664</u>	<u>-</u>



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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2021 £</b>	<b>Total 2021 £</b>
Charitable activities	29,993	<b>29,993</b>
	<u>29,993</u>	<u>29,993</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total 2020 £</i>
Charitable activities	39,802	39,802
	<u>39,802</u>	<u>39,802</u>

**9. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>
Charitable activities	11,617	18,376	<b>29,993</b>
	<u>11,617</u>	<u>18,376</u>	<u>29,993</u>
	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Charitable activities	21,596	18,206	39,802
	<u>21,596</u>	<u>18,206</u>	<u>39,802</u>

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2021 £	Total funds 2021 £
Interest payable	11,617	11,617

	<i>Activities</i> 2020 £	<i>Total</i> <i>funds</i> 2020 £
Interest payable	21,596	21,596

Analysis of support costs

	Activities 2021 £	Total funds 2021 £
Depreciation	11,732	11,732
Audit and accountancy	6,358	6,358
Bank charges	286	286
	<u>18,376</u>	<u>18,376</u>

	<i>Activities</i> 2020 £	<i>Total</i> <i>funds</i> 2020 £
Depreciation	15,520	15,520
Audit and accountancy	2,400	2,400
Bank charges	286	286
	<u>18,206</u>	<u>18,206</u>

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**10. Auditor's remuneration**

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit servicea	<u>5,000</u>	<u>-</u>
Fees payable to the Charity's auditor in respect of: Non-audit services	<u>2,250</u>	<u>-</u>

**11. Staff costs**

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

	Group 2021 No.	Group 2020 No.
Staff	<u>1</u>	<u>1</u>

No employee received remuneration amounting to more than £60,000 in either year.

Staff costs are nil within the charity. The Heron Educational Trust is run wholly by volunteers.

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).



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NOTES TO THE FINANCIAL STATEMENTS  
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13. Intangible assets

Group

	Other intangibles £
<b>Cost</b>	
On acquisition of subsidiaries	9,338
At 31 December 2021	<u>9,338</u>
<b>Amortisation</b>	
Foreign exchange movement	9,338
At 31 December 2021	<u>9,338</u>
<b>Net book value</b>	
At 31 December 2021	<u>-</u>
At 31 December 2020	<u>-</u>

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14. Tangible fixed assets

Group

	Land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2021	1,456,600	-	9,199	1,465,799
Additions	39,648	21,701	-	61,349
On acquisition of subsidiaries	-	169,646	-	169,646
At 31 December 2021	1,496,248	191,347	9,199	1,696,794
<b>Depreciation</b>				
At 1 January 2021	93,465	-	9,199	102,664
Charge for the year	11,732	23,229	-	34,961
On acquisition of subsidiaries	-	91,653	-	91,653
At 31 December 2021	105,197	114,882	9,199	229,278
<b>Net book value</b>				
At 31 December 2021	1,391,051	76,465	-	1,467,516
At 31 December 2020	1,363,135	-	-	1,363,135

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

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**14. Tangible fixed assets (continued)**

**Charity**

	Freehold property £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 January 2021	1,456,600	9,199	1,465,799
Additions	39,648	-	39,648
At 31 December 2021	<u>1,496,248</u>	<u>9,199</u>	<u>1,505,447</u>
<b>Depreciation</b>			
At 1 January 2021	93,465	9,199	102,664
Charge for the year	11,732	-	11,732
At 31 December 2021	<u>105,197</u>	<u>9,199</u>	<u>114,396</u>
<b>Net book value</b>			
At 31 December 2021	<u>1,391,051</u>	<u>-</u>	<u>1,391,051</u>
At 31 December 2020	<u>1,363,135</u>	<u>-</u>	<u>1,363,135</u>



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**THE HERON EDUCATIONAL TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**15. Fixed asset investments**

	Investments in subsidiary companies £
<b>Charity</b>	
<b>Cost or valuation</b>	
Additions	252,812
On acquisition of subsidiaries	2
At 31 December 2021	<u>252,814</u>
<b>Net book value</b>	
At 31 December 2021	<u>252,814</u>

**Principal subsidiaries**

The following was a subsidiary undertaking of the Charity:

<b>Name</b>	<b>Company number</b>	<b>Registered office or principal place of business</b>	<b>Principal activity</b>
Larchcroft Trading Co Ltd	06340326	Bromley Barns, Harwich Road, Great Bromley, Essex, CO7 7JG	Retail sale

The financial results of the subsidiary for the 5 month period were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) / Surplus/ (Deficit) for the 5 month period £</b>	<b>Net assets £</b>
Larchcroft Trading Co Ltd	776,110	811,824	35,714	217,098

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

16. Stocks

	Group 2021 £	Group 2020 £
Stock	129,103	-

17. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
<b>Due within one year</b>				
Trade debtors	64,400	-	-	-
Other debtors	-	823	-	823
Prepayments	150	-	-	-
	<u>64,550</u>	<u>823</u>	<u>-</u>	<u>823</u>

18. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Other loans	130,000	150,000	130,000	150,000
Trade creditors	109,724	-	(13)	-
Other taxation and social security	2,597	-	-	-
Other creditors	27,063	-	-	-
Accruals	11,063	10,522	9,043	10,522
	<u>280,447</u>	<u>160,522</u>	<u>139,030</u>	<u>160,522</u>

19. Creditors: Amounts falling due after more than one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Other loans	170,000	300,000	170,000	300,000

The loan is secured by a first legal charge on the charity's freehold property.

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

20. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
<b>Unrestricted funds</b>				
General Funds	1,089,185	1,148,930	(737,657)	1,500,458

Statement of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>				
General Funds	973,900	155,087	(39,802)	1,089,185

21. Summary of funds

Summary of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
General funds	1,089,185	1,148,930	(737,657)	1,500,458

Summary of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Balance at 31 December 2020 £
General funds	973,900	155,087	(39,802)	1,089,185

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FOR THE YEAR ENDED 31 DECEMBER 2021

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22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	1,467,516	1,467,516
Current assets	483,389	483,389
Creditors due within one year	(280,447)	(280,447)
Creditors due in more than one year	(170,000)	(170,000)
<b>Total</b>	<b>1,500,458</b>	<b>1,500,458</b>

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	1,363,135	1,363,135
Current assets	186,572	186,572
Creditors due within one year	(160,522)	(160,522)
Creditors due in more than one year	(300,000)	(300,000)
<b>Total</b>	<b>1,089,185</b>	<b>1,089,185</b>



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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	Group 2020 £
Net income for the year (as per Statement of Financial Activities)	411,273	115,285
<b>Adjustments for:</b>		
Depreciation charges	34,961	15,520
Decrease/(increase) in stocks	(129,103)	-
Decrease/(increase) in debtors	(63,727)	823
Increase in creditors	139,925	2,821
<b>Net cash provided by operating activities</b>	<b>393,329</b>	<b>134,449</b>

24. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand	289,736	185,749
<b>Total cash and cash equivalents</b>	<b>289,736</b>	<b>185,749</b>

25. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	185,749	103,987	289,736
Debt due within 1 year	(150,000)	20,000	(130,000)
Debt due after 1 year	(300,000)	130,000	(170,000)
	<b>(264,251)</b>	<b>253,987</b>	<b>(10,264)</b>

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THE HERON EDUCATIONAL TRUST

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NOTES TO THE FINANCIAL STATEMENTS  
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**26. Related party transactions**

As stated in Note 13, Larchcroft Trading Co Ltd was a wholly owned subsidiary undertaking of the Charity from 31 July 2021. £104,160 was received by the Charity from the subsidiary under gift aid.