

Charity registration number: 1057370

Eastbrook Education Trust

Trustees' Report and Financial Statements
for the year ended 31st December 2023

mca Banbury Ltd
Unit 4-6
Wharf Centre
Wharf Street
Warwick
CV34 5LB

Eastbrook Education Trust

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Eastbrook Education Trust

Reference and Administrative Details

Chief Executive Officer	Mr A Bushnell
Trustees	Mr A Bushnell Mr D Bedford Mr J Whiteside Mr L Coldrick Mr R Francis <i>New Trustees appointed 18 May 2024</i>
Charity Registration Number	1057370
Principal Office	10 Spinnaker Road Hempsted Gloucester GL2 5FD
Auditor	mca Banbury Ltd 4-6 The Wharf Centre Wharf Street Warwick CV34 5LB
Bankers	Lloyds Bank 19 Eastgate St Gloucester GL1 1NU

Eastbrook Education Trust

Trustees' Report

The Trustees present their report with the financial statements of the charity for the year ended 31st December 2023. The Trustees have adopted the provisions of 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 (FRS102) (effective 1 January 2019).

Objectives and activities

Objects and aims

The charitable objects of the charity are the advancement of the education of children and young people from ages five to eighteen in particular by assistance to their parents to enable such children to be taught otherwise than as school as defined in the Education Acts and 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 charity provides two premises for an independent school based in Eastbrook Road Gloucester, which has been run by OneSchool Global UK (OSGUK).

The charity also provides donation funding 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 charity and there are strong and willing group of volunteers who assist and support the charity throughout the year.

The trading activities of the charity's trading subsidiary Spectrum Products (UK) Ltd, which operates a chain of convenience stores, are undertaken by volunteers.

Objectives, strategies and activities

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

In April 2023 the charity acquired a site at Gloucester Road, Tewkesbury, Gloucestershire on which work is ongoing to provide one site on which primary and secondary schooling can take place. It is intended that this site will now open in late 2024.

The charity has a wholly owned subsidiary company, Spectrum Products Ltd (Company Registration No. - 06333795) which undertakes trading activities. All profits chargeable to corporation tax are gifted to the charity in support of the charitable activities of the charity.

Eastbrook Education Trust

Trustees' Report

Financial review

The charity is supported and financed principally by profits from its trading subsidiary Spectrum Products Ltd (Company Registration No: 06333795) plus other ad hoc donations and those raised by fundraising events and grants from the Grace Trust. The Trustees believe that the charity's funds are sufficient to mitigate any short to medium term risk of reduced funding.

The charity's fundraising events principally operate within the Brethren community and professional fundraisers are not used. Neither the charity nor any person acting on behalf of the charity 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.

In the year ended 31st December 2023 the charity reported a net surplus of £615,435 (2022 surplus of £2,980,954). The group reported a net surplus of £518,574 (2022 surplus of £3,104,177).

At the year end the charity had net current liabilities of £721,339 (2022 net current liabilities of £158,387). The group had net current liabilities of £480,597 (2022 net current assets of £162,597).

The charity's policy is to maintain minimum free reserves at a level which equates to six months' unrestricted expenditure. This is approximately £148,409. At the year end 2023 the free reserves of the charity were £4,661,906 (31st December 2022 £4,046,471).

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

Aims and key objectives 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 charity's ethos and values.

Structure, governance and management

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 charity in the year ended 31st December 2023 (year ended 31st December 2022 £nil).

The power to appoint Trustees is invested in the existing Trustees subject to the charity 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 charity.

New Trustees are appointed at charity meetings and training is given by the outgoing trustee being replaced, along with support from fellow Trustees.

Eastbrook Education Trust

Trustees' Report

Principal Risks

The Trustees have examined the major strategic, business and operational risks that the charity 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.

The principal risks to the charity are:

- risk of damage to the property held by the charity (although the property holds property insurance);
- risk of closure or relocation of the schooling by OneSchool Global UK (considered unlikely); and
- risk of fall in trading activities of the wholly owned trading subsidiary, either due to a fall in customer loyalty or a significant increase in supplier prices (closely monitored by the trading subsidiary directors who would then take appropriate action).

There were no serious incidents relating to the charity over the year to report

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Trustees' Report

Statement of trustees' responsibilities

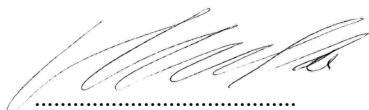
The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and 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 charity and the group and of the incoming resources and application of resources of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the parent charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group 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 charity deed. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on23/08/24..... and signed on its behalf by:



.....
Mr Lloyd Coldrick
Trustee

Eastbrook Education Trust

Independent Auditor's Report to the Members of Eastbrook Education Trust

Opinion

We have audited the financial statements of Eastbrook Education Trust (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 December 2023, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 December 2023 and of its 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 Companies Act 2006.

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 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 UK, including the FRC'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 ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

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 auditor's report thereon. 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.

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Independent Auditor's Report to the Members of Eastbrook Education Trust

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 charity financial statements are not in agreement with the accounting records and returns; or
- the parent charity has not kept sufficient accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 5), the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable laws and regulations.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

Eastbrook Education Trust

Independent Auditor's Report to the Members of Eastbrook Education Trust

- Performed analytical procedures to identify any unusual or unexpected relationships;

- Tested journal entries to identify unusual transactions;

Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and

- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation
- Enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Report of the Auditors to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Report of the Auditors. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We define materiality as the magnitude of misstatement in the Financial Statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning and in the scope of our audit work and in evaluating the results of our work.

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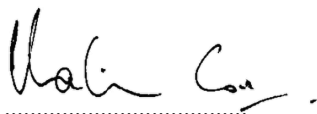
Independent Auditor's Report to the Members of Eastbrook Education Trust

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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 group'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.



.....
Martin Cox (Senior Statutory Auditor)

For and on behalf of mca Banbury Ltd, Statutory Auditor

Unit 4-6
Wharf Centre
Wharf Street
Warwick
CV34 5LB

Date: 12/09/2024
.....

Eastbrook Education Trust

Consolidated Statement of Financial Activities for the Year Ended 31 December 2023 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

			Unrestricted funds £	Total 2023 £
	Note			
Income and Endowments from:				
Donations and legacies	3		1,311,368	1,311,368
Charitable activities	4		9,167	9,167
Investment income	6		152	152
Other income			2,332,033	2,332,033
Total income			3,652,720	3,652,720
Expenditure on:				
Raising funds	7		(2,000,755)	(2,000,755)
Charitable activities	8		(1,133,391)	(1,133,391)
Total expenditure			(3,134,146)	(3,134,146)
Net income			518,574	518,574
Net movement in funds			518,574	518,574
Reconciliation of funds				
Total funds brought forward			4,481,856	4,481,856
Total funds carried forward	18		5,000,430	5,000,430
	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	311,289	3,012,284	3,323,573
Charitable activities	4	10,000	-	10,000
Other income		2,178,106	-	2,178,106
Total income		2,499,395	3,012,284	5,511,679
Expenditure on:				
Raising funds	7	(1,739,738)	-	(1,739,738)
Charitable activities	8	(667,764)	-	(667,764)
Total expenditure		(2,407,502)	-	(2,407,502)
Net income		91,893	3,012,284	3,104,177
Transfers between funds		3,938,907	(3,938,907)	-
Net movement in funds		4,030,800	(926,623)	3,104,177
Reconciliation of funds				
Total funds brought forward		451,056	926,623	1,377,679

The notes on pages 15 to 28 form an integral part of these financial statements.

Eastbrook Education Trust

Consolidated Statement of Financial Activities for the Year Ended 31 December 2023 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Total funds carried forward	18	<u>4,481,856</u>	<u>-</u>	<u>4,481,856</u>

All of the group's activities derive from continuing operations during the above two periods.

The funds breakdown for 2022 is shown in note 18.

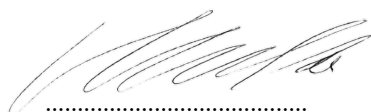
The notes on pages 15 to 28 form an integral part of these financial statements.

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Consolidated Balance Sheet as at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	8,276,873	5,319,258
Current assets			
Stocks	14	241,178	278,353
Debtors	15	637,152	294,653
Cash at bank and in hand		209,165	551,311
		<u>1,087,495</u>	<u>1,124,317</u>
Creditors: Amounts falling due within one year	16	<u>(1,568,092)</u>	<u>(961,719)</u>
Net current (liabilities)/assets		<u>(480,597)</u>	<u>162,598</u>
Total assets less current liabilities		7,796,276	5,481,856
Creditors: Amounts falling due after more than one year	17	<u>(2,795,846)</u>	<u>(1,000,000)</u>
Net assets		<u>5,000,430</u>	<u>4,481,856</u>
Funds of the group:			
Unrestricted income funds			
Unrestricted funds		<u>5,000,430</u>	<u>4,481,856</u>
Total funds	18	<u>5,000,430</u>	<u>4,481,856</u>

The financial statements on pages 10 to 28 were approved by the trustees and authorised for issue on ..23/08/2024...and signed on their behalf by:



.....
Mr Lloyd Coldrick
Trustee

The notes on pages 15 to 28 form an integral part of these financial statements.

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Balance Sheet as at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	8,179,089	5,204,856
Investments		<u>2</u>	<u>2</u>
		<u>8,179,091</u>	<u>5,204,858</u>
Current assets			
Debtors	15	468,571	60,422
Cash at bank and in hand		<u>164,610</u>	<u>481,482</u>
		633,181	541,904
Creditors: Amounts falling due within one year	16	<u>(1,354,520)</u>	<u>(700,291)</u>
Net current liabilities		<u>(721,339)</u>	<u>(158,387)</u>
Total assets less current liabilities		7,457,752	5,046,471
Creditors: Amounts falling due after more than one year	17	<u>(2,795,846)</u>	<u>(1,000,000)</u>
Net assets		<u><u>4,661,906</u></u>	<u><u>4,046,471</u></u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>4,661,906</u>	<u>4,046,471</u>
Total funds	18	<u><u>4,661,906</u></u>	<u><u>4,046,471</u></u>

The financial statements on pages 10 to 28 were approved by the trustees, and authorised for issue on 23/08/2024.....and signed on their behalf by:



Mr Lloyd Coldrick
Trustee

The notes on pages 15 to 28 form an integral part of these financial statements.

Eastbrook Education Trust

Consolidated Statement of Cash Flows for the Year Ended 31 December 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash income		518,574	3,104,177
Adjustments to cash flows from non-cash items			
Depreciation	7	451,584	149,882
Investment income	6	(152)	-
		<u>970,006</u>	<u>3,254,059</u>
Working capital adjustments			
Decrease/(increase) in stocks	14	37,175	(102,285)
Increase in debtors	15	(342,499)	(124,995)
Increase in creditors	16	<u>643,359</u>	<u>629,453</u>
Net cash flows from operating activities		<u>1,308,041</u>	<u>3,656,232</u>
Cash flows from investing activities			
Interest receivable and similar income	6	152	-
Purchase of tangible fixed assets	12	(3,409,199)	(4,652,140)
Sale of tangible fixed assets		<u>-</u>	<u>78,000</u>
Net cash flows from investing activities		<u>(3,409,047)</u>	<u>(4,574,140)</u>
Cash flows from financing activities			
Repayment of loans and borrowings	16	<u>1,758,860</u>	<u>1,049,238</u>
Net (decrease)/increase in cash and cash equivalents		(342,146)	131,330
Cash and cash equivalents at 1 January		<u>551,311</u>	<u>419,981</u>
Cash and cash equivalents at 31 December		<u><u>209,165</u></u>	<u><u>551,311</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 15 to 28 form an integral part of these financial statements.

Eastbrook Education Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

1 General Information

The Eastbrook Education Trust is an unincorporated charity (no: 1057370) registered in England and Wales. The registered address is 7 Eastbrook Road, Gloucester, GL4 3DB.

2 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

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 Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Eastbrook Education 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 notes.

Basis of consolidation

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 from 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.

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Notes to the Financial Statements for the Year Ended 31 December 2023

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Going concern

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

Eastbrook Education Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

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.

Other income

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.

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 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.

Tangible fixed assets

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.

Eastbrook Education Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

Depreciation and amortisation

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives. Assets costing less than £500 are written off to the SoFA in the year of purchase.

Asset class	Depreciation method and rate
Freehold property	2% Straight Line
Plant & Machinery	20% Straight Line
Leasehold	10% Straight Line

Current asset 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.

Stock

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.

Trade 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.

Fund structure

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.

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

Financial instruments

Classification

The Charity 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.

Eastbrook Education Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Gifts and donations	1,311,368	-	1,311,368
Total for 2023	<u>1,311,368</u>	<u>-</u>	<u>1,311,368</u>
Total for 2022	<u>311,289</u>	<u>3,012,284</u>	<u>3,323,573</u>

4 Income from charitable activities

	Unrestricted funds General £	Total funds £
Rental Income	9,167	9,167
Total for 2023	<u>9,167</u>	<u>9,167</u>
Total for 2022	<u>10,000</u>	<u>10,000</u>

5 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading Income - Spectrum Products (UK) Ltd	2,332,033	2,332,033
Total for 2023	<u>2,332,033</u>	<u>2,332,033</u>
Total for 2022	<u>2,178,106</u>	<u>2,178,106</u>

6 Investment income

	Unrestricted funds General £	Total funds £
Bank Interest	152	152
Total for 2023	<u>152</u>	<u>152</u>

Eastbrook Education Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

7 Expenditure on raising funds

a) Costs of trading activities

	Unrestricted funds General £	Total funds £
Trading Costs - Spectrum Products (UK) Ltd	2,000,755	2,000,755
Total for 2023	<u>2,000,755</u>	<u>2,000,755</u>
Total for 2022	<u>1,739,738</u>	<u>1,739,738</u>

8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Charitable activities	9	1,133,391	1,133,391
Total for 2022		<u>667,764</u>	<u>667,764</u>

Eastbrook Education Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

9 Analysis of support costs

Support costs allocated to charitable activities

	Governance costs £	Finance costs £	Administration costs £	Premises costs including depreciation £	Other support costs £
Charitable Activities	<u>3,618</u>	<u>146,259</u>	<u>18,340</u>	<u>557,036</u>	<u>408,138</u>
					Total 2023 £
Charitable Activities					<u>1,133,391</u>
	Governance costs £	Finance costs £	Administration costs £	Premises costs including depreciation £	Other support costs £
Charitable Activities	<u>22,459</u>	<u>6,986</u>	<u>27,898</u>	<u>250,609</u>	<u>359,812</u>
					Total 2022 £
Charitable Activities					<u>667,764</u>

Other supports costs are donations made to OSG.

Staff costs are nil. Eastbrook Education Trust is run entirely by volunteers.

Eastbrook Education Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Auditors' remuneration

	2023 £	2022 £
Other fees to auditors		
The auditing of accounts of any associate of the charity	4,000	10,400
All other non-audit services	2,000	5,000
	<u>6,000</u>	<u>15,400</u>

Eastbrook Education Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

12 Tangible fixed assets

Group

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2023	6,377,880	507,076	6,884,956
Additions	3,402,668	6,531	3,409,199
At 31 December 2023	9,780,548	513,607	10,294,155
Depreciation			
At 1 January 2023	1,122,517	443,181	1,565,698
Charge for the year	424,959	26,625	451,584
At 31 December 2023	1,547,476	469,806	2,017,282
Net book value			
At 31 December 2023	8,233,072	43,801	8,276,873
At 31 December 2022	5,255,363	63,895	5,319,258

Charity

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2023	5,819,059	376,128	6,195,187
Additions	3,402,668	-	3,402,668
At 31 December 2023	9,221,727	376,128	9,597,855
Depreciation			
At 1 January 2023	623,757	366,574	990,331
Charge for the year	418,881	9,554	428,435
At 31 December 2023	1,042,638	376,128	1,418,766
Net book value			
At 31 December 2023	8,179,089	-	8,179,089
At 31 December 2022	5,195,302	9,554	5,204,856

13 Fixed asset investments

Charity

Eastbrook Education Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
Cost		
At 1 January 2023	2	2
At 31 December 2023	2	2
Net book value		
At 31 December 2023	2	2
At 31 December 2022	2	2

Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2023	2022	
Subsidiary undertakings					
Spectrum Products (UK) Ltd 7 Eastbrook Road, Gloucester, GL4 3DB	United Kingdom		100%	100%	Sale of retail goods

14 Stock

	Group		Charity
	2023 £	2022 £	2023 £
Stocks	241,178	278,353	-

15 Debtors

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	158,445	189,566	-	-
Prepayments	11,429	41,640	1,293	1,457
Other debtors	467,278	63,447	467,278	58,965
	<u>637,152</u>	<u>294,653</u>	<u>468,571</u>	<u>60,422</u>

Eastbrook Education Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

16 Creditors: amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Concessionary & Other loans	32,252	69,238	-	6,986
Trade creditors	1,311,523	498,324	1,185,057	333,249
VAT	17,177	-	-	-
Other creditors	31,477	323,106	-	300,000
Accruals	175,663	71,051	169,463	60,056
	<u>1,568,092</u>	<u>961,719</u>	<u>1,354,520</u>	<u>700,291</u>

17 Creditors: amounts falling due after one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Other Loans	<u>2,795,846</u>	<u>1,000,000</u>	<u>2,795,846</u>	<u>1,000,000</u>

Eastbrook Education Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

18 Funds

Group

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
Unrestricted funds				
General	<u>4,481,856</u>	<u>3,652,720</u>	<u>(3,134,146)</u>	<u>5,000,430</u>

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2022 £
Unrestricted funds					
General	451,056	2,499,395	(2,407,502)	3,938,907	4,481,856
Restricted funds	<u>926,623</u>	<u>3,012,284</u>	<u>-</u>	<u>(3,938,907)</u>	<u>-</u>
Total funds	<u>1,377,679</u>	<u>5,511,679</u>	<u>(2,407,502)</u>	<u>-</u>	<u>4,481,856</u>

Charity

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
Unrestricted funds				
General	<u>4,046,472</u>	<u>1,748,825</u>	<u>(1,133,391)</u>	<u>4,661,906</u>

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2022 £
Unrestricted funds					
General	138,895	631,922	(663,252)	3,938,906	4,046,471
Restricted funds	<u>926,622</u>	<u>3,012,284</u>	<u>-</u>	<u>(3,938,906)</u>	<u>-</u>
Total funds	<u>1,065,517</u>	<u>3,644,206</u>	<u>(663,252)</u>	<u>-</u>	<u>4,046,471</u>

Eastbrook Education Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

19 Analysis of net assets between funds

Group

	Unrestricted funds General £	Total funds at 31 December 2023 £
Tangible fixed assets	8,276,873	8,276,873
Current assets	1,087,495	1,087,495
Current liabilities	(1,568,092)	(1,568,092)
Creditors over 1 year	(2,795,846)	(2,795,846)
Total net assets	<u>5,000,430</u>	<u>5,000,430</u>
	Unrestricted funds General £	Total funds at 31 December 2022 £
Tangible fixed assets	5,319,258	5,319,258
Current assets	1,124,317	1,124,317
Current liabilities	(961,719)	(961,719)
Creditors over 1 year	(1,000,000)	(1,000,000)
Total net assets	<u>4,481,856</u>	<u>4,481,856</u>

Eastbrook Education Trust

Notes to the Financial Statements for the Year Ended 31 December 2023

Charity

	Unrestricted funds General £	Total funds at 31 December 2023 £
Tangible fixed assets	8,179,089	8,179,089
Fixed asset investments	2	2
Current assets	633,181	633,181
Current liabilities	(1,354,520)	(1,354,520)
Creditors over 1 year	(2,795,846)	(2,795,846)
Total net assets	<u>4,661,906</u>	<u>4,661,906</u>
	Unrestricted funds General £	Total funds at 31 December 2022 £
Tangible fixed assets	5,204,856	5,204,856
Fixed asset investments	2	2
Current assets	541,904	541,904
Current liabilities	(700,291)	(700,291)
Creditors over 1 year	(1,000,000)	(1,000,000)
Total net assets	<u>4,046,471</u>	<u>4,046,471</u>

20 Related party transactions

Charity

During the year, the charity received £428,138 of donations from its trading subsidiary.