

**EALING EDUCATIONAL RESOURCES TRUST**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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## EALING EDUCATIONAL RESOURCES TRUST

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## EALING EDUCATIONAL RESOURCES 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**

Mr A Greenfield (appointed 14 January 2021)  
Mr H Tennant (appointed 14 January 2021)  
Mr B F Abernethie (appointed 14 January 2021)  
Mr C D Parsons  
Mr S Hill  
Mr C A White  
Mr S P Barnes (resigned 14 January 2021)  
Mr H B Robertson (resigned 14 January 2021)

**Charity registered number**

1057707

**Principal office**

Amberley  
Wantage Road  
Harwell  
Oxfordshire  
OX11 0LL

**Chief executive officer**

Mr C A White

**Independent auditor**

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

**Bankers**

Bank of Scotland  
Edinburgh  
EH2 2YR

Barclays Bank Plc  
Acorn House  
36-38 Park Royal Road  
London  
NW10 7JA

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## EALING EDUCATIONAL RESOURCES TRUST

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

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The Trustees of Ealing Educational Resources 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**

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

In furtherance of its objects, the Trust provides two premises under formal lease for an independent school based in Reading (the "School"), which has been run by OneSchool Global UK ("OSG") from 1 November 2019 and previously by Fulmer Education Trust. One of these is a freehold premises for primary pupils, and the other is a leased premises for secondary pupils which is classified as a programme related investment.

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.

The immediate aim of the Trust is to maintain its two premises in Reading, with the longer-term aim being to provide new premises which are better suited to the needs of the school.

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 is a strong and willing group of volunteers who support the Trust throughout the year.

#### **Structure, Governance and Management**

The Ealing Education Trust is constituted by a Deed of Trust dated 9 May 1995, amended 2 August 2004, and is registered with the Charity Commission for England and Wales.

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 main risks that the Trustees have identified are unrecognised building work costs that have not been fully funded and the impact of the overall economic situation UK wide. 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.

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## EALING EDUCATIONAL RESOURCES TRUST

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

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#### **Significant Activities**

Throughout the year the Trust has continued to provide educational premises in support of the educational activities of OSGUK, whilst continuing to seek better suited alternative premises.

The Trust has a wholly owned subsidiary company, Zest Trading UK Ltd (Zest) 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 deficit of £72,745 (31st December 2020: net deficit of £109,874). All funds are unrestricted.

The Trust is supported and financed principally by profits from its trading subsidiary Zest plus other ad hoc donations and those raised by fundraising events. In 2021 the Trust received £1,250,797 in donations from Zest for which the Trustees are very grateful. The Trust also received £120,000 in grants from the Grace Trust and a donation of £4,067 from ISIS Valley Education Trust for which the Trustees are likewise very grateful.

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 monitored the activities of those acting on behalf of the charity via the close community nature of the Plymouth Brethren Christian Church. No complaints were received about the Charity's fundraising activities and all participants were made aware of the requirement to protect vulnerable people and other members of the public.

The Trustees' policy is to maintain minimum free reserves at a level which equates to six months' unrestricted expenditure. This is approximately £190,000. At 31st December 2021 the free reserves of the Trust were £3,562,958 (31st December 2020: £3,566,193).

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. The Trustees plan to continue to maintain the Reading primary and secondary premises. Other more appropriate sites continue to be searched for.

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## EALING EDUCATIONAL RESOURCES TRUST

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

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#### **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 then 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 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 charity and group 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 Trust 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.

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



**Mr A Greenfield**

Trustee

Date: 27th Oct 2022

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## EALING EDUCATIONAL RESOURCES TRUST

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

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#### Opinion

We have audited the financial statements of Ealing Educational Resources 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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## EALING EDUCATIONAL RESOURCES TRUST

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

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### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EALING EDUCATIONAL RESOURCES 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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**EALING EDUCATIONAL RESOURCES TRUST**

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EALING EDUCATIONAL RESOURCES 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.

*Crowe UK LLP.*

**Crowe U.K. LLP**

Statutory Auditor  
Fourth Floor  
St James House  
St James Square  
Cheltenham  
GL50 3PR

Date: 27 October 2022

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

**EALING EDUCATIONAL RESOURCES TRUST**

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

	<b>Note</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 RESTATE</i> <b>£</b>
<b>Income from:</b>				
Donations and legacies	3	124,067	124,067	120,000
Charitable activities	4	10,000	10,000	10,000
Other trading activities	5	1,250,797	1,250,797	987,274
Investments	6	-	-	5,887
Other income	7	-	-	1,535
<b>Total income</b>		<b>1,384,864</b>	<b>1,384,864</b>	<b>1,124,696</b>
<b>Expenditure on:</b>				
Raising funds	8	1,057,167	1,057,167	856,832
Charitable activities	9	400,442	400,442	377,682
Other expenditure	10	-	-	56
<b>Total expenditure</b>		<b>1,457,609</b>	<b>1,457,609</b>	<b>1,234,570</b>
<b>Net movement in funds</b>		<b>(72,745)</b>	<b>(72,745)</b>	<b>(109,874)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward	19	6,354,715	6,354,715	6,464,589
Net movement in funds	19	(72,745)	(72,745)	(109,874)
<b>Total funds carried forward</b>		<b>6,281,970</b>	<b>6,281,970</b>	<b>6,354,715</b>

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

The notes on pages 13 to 29 form part of these financial statements.

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**EALING EDUCATIONAL RESOURCES TRUST**

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**CONSOLIDATED BALANCE SHEET  
AS AT 31 DECEMBER 2021**

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	Note	2021 £	2020 RESTATED £
<b>Fixed assets</b>			
Tangible assets	14	2,647,807	2,793,435
		<u>2,647,807</u>	<u>2,793,435</u>
<b>Current assets</b>			
Stocks	16	131,428	110,397
Debtors	17	45,958	66,613
Cash at bank and in hand		3,619,151	3,606,863
		<u>3,796,537</u>	<u>3,783,873</u>
Creditors: amounts falling due within one year	18	(162,374)	(222,593)
<b>Net current assets</b>		<u>3,634,163</u>	<u>3,561,280</u>
<b>Total assets less current liabilities</b>		<u>6,281,970</u>	<u>6,354,715</u>
<b>Total net assets</b>		<u><u>6,281,970</u></u>	<u><u>6,354,715</u></u>
<b>Charity funds</b>			
Unrestricted funds	19	6,281,970	6,354,715
<b>Total funds</b>		<u><u>6,281,970</u></u>	<u><u>6,354,715</u></u>

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

*A. Greenfield*

**Mr A Greenfield**

Trustee

Date: 27th October 2022

The notes on pages 13 to 29 form part of these financial statements.

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**EALING EDUCATIONAL RESOURCES TRUST**

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**CHARITY BALANCE SHEET  
AS AT 31 DECEMBER 2021**

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	Note	2021 £	2020 RESTATED £
<b>Fixed assets</b>			
Tangible assets	14	2,601,920	2,742,218
Investments	15	2	2
		<u>2,601,922</u>	<u>2,742,220</u>
<b>Current assets</b>			
Debtors	17	2,469	77,006
Cash at bank and in hand		3,572,855	3,518,935
		<u>3,575,324</u>	<u>3,595,941</u>
Creditors: amounts falling due within one year	18	(12,368)	(29,750)
<b>Net current assets</b>		<u>3,562,956</u>	<u>3,566,191</u>
<b>Total assets less current liabilities</b>		<u>6,164,878</u>	<u>6,308,411</u>
<b>Total net assets</b>		<u><u>6,164,878</u></u>	<u><u>6,308,411</u></u>
<b>Charity funds</b>			
Unrestricted funds	19	6,164,878	6,308,411
<b>Total funds</b>		<u><u>6,164,878</u></u>	<u><u>6,308,411</u></u>

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

*A. Greenfield*

**Mr A Greenfield**

Trustee

Date: 27th October 2022

The notes on pages 13 to 29 form part of these financial statements.

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**EALING EDUCATIONAL RESOURCES TRUST**

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

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	2021 £	2020 <i>RESTATED</i> £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	<b>53,767</b>	61,604
<b>Cash flows from investing activities</b>		
Interest and dividends	-	5,886
Purchase of fixed assets	<b>(18,620)</b>	(91,439)
Fixed asset disposal	<b>2,141</b>	-
<b>Net cash used in investing activities</b>	<b>(16,479)</b>	<b>(85,553)</b>
<b>Cash flows from financing activities</b>		
Cash inflows from new borrowing	<b>25,000</b>	50,000
Repayments of borrowing	<b>(50,000)</b>	-
<b>Net cash (used in)/provided by financing activities</b>	<b>(25,000)</b>	<b>50,000</b>
<b>Change in cash and cash equivalents in the year</b>	<b>12,288</b>	<b>26,051</b>
Cash and cash equivalents at the beginning of the year	<b>3,606,863</b>	3,580,812
<b>Cash and cash equivalents at the end of the year</b>	<b>3,619,151</b>	<b>3,606,863</b>

The notes on pages 13 to 29 form part of these financial statements

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## EALING EDUCATIONAL RESOURCES TRUST

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

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#### 1. General information

Ealing Educational Resources Trust is an unincorporated charity (registered number 1057707) registered in England and Wales. The registered address is Amberley, Wantage Road, Harwell, Didcot, Oxfordshire, OX11 0LL.

#### 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.

Ealing Educational Resources 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 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.

##### 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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## EALING EDUCATIONAL RESOURCES 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.

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 is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.



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## EALING EDUCATIONAL RESOURCES 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)

### 2.4 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 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:

Freehold property	-	2% straight line
Freehold improvements	-	2% straight line
Leasehold improvements	-	20% straight line
Fixtures and fittings	-	25% reducing balance

### 2.6 Investments

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

### 2.7 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.

### 2.8 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.

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## EALING EDUCATIONAL RESOURCES 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)

##### 2.9 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.

##### 2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the 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.

##### 2.11 Financial instruments

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

##### 2.12 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.

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**EALING EDUCATIONAL RESOURCES 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**

	<b>Restricted funds 2021 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Grants	-	120,000	<b>120,000</b>
ISIS Valley Education Trust	-	4,067	<b>4,067</b>
	<u>-</u>	<u>124,067</u>	<u><b>124,067</b></u>

	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Grants	120,000	120,000
	<u>120,000</u>	<u>120,000</u>

**4. Income from charitable activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Rental income	10,000	<b>10,000</b>
	<u>10,000</u>	<u><b>10,000</b></u>

	<i>Unrestricted funds 2020 RESTATED £</i>	<i>Total funds 2020 RESTATED £</i>
Rental income	10,000	10,000
	<u>10,000</u>	<u>10,000</u>

A lease is in place for the rental of the building to OSGUK for £5,000 p.a. The lease is in place until 31st December 2027.

The charity also leases a site in Reading - 'The Quad'. The charity has sublet the premises to OSGUK for £5,000 p.a. for the purposes of running a secondary school.

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**EALING EDUCATIONAL RESOURCES TRUST**

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

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**5. Income from other trading activities**

**Income from non charitable trading activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Trading income - Zest Trading UK Limited	1,250,797	<b>1,250,797</b>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Trading income - Zest Trading UK Limited	987,274	987,274

**6. Investment income**

	<b>Total funds 2021 £</b>
Bank interest	-

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Bank interest	5,886	5,886
Interest receivable	1	1
	<b>5,887</b>	<b>5,887</b>

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EALING EDUCATIONAL RESOURCES TRUST

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NOTES TO THE FINANCIAL STATEMENTS  
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7. Other incoming resources

	Total funds 2021 £
Other income	-

	Unrestricted funds 2020 £	Total funds 2020 £
Other income	1,535	1,535

8. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2021 £	Total funds 2021 £
Cost of sales	940,701	940,701
Administration expenses	103,198	103,198
Interest payable	451	451
Administration depreciation	12,817	12,817
	1,057,167	1,057,167

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**EALING EDUCATIONAL RESOURCES TRUST**

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**8. Expenditure on raising funds (continued)**

**Other trading expenses (continued)**

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Cost of sales	746,998	746,998
Administration expenses	95,198	95,198
Interest payable	912	912
Administration depreciation	13,724	13,724
	<u>856,832</u>	<u>856,832</u>

**9. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2021 £</b>	<b>Total 2021 £</b>
Charitable activities	400,442	<b>400,442</b>

	<i>Unrestricted funds 2020 £</i>	<i>Total 2020 £</i>
Charitable activities	377,682	377,682

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**EALING EDUCATIONAL RESOURCES TRUST**

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**10. Other expenditure**

	<b>Total funds 2021 £</b>
Other expenditure	-
	<u><u>          </u></u>

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Other expenditure	56	56
	<u><u>          </u></u>	<u><u>          </u></u>

**11. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>
Charitable activities	386,301	14,141	<b>400,442</b>
	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Charitable activities	347,450	30,232	377,682
	<u><u>          </u></u>	<u><u>          </u></u>	<u><u>          </u></u>

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EALING EDUCATIONAL RESOURCES TRUST

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11. Analysis of expenditure by activities (continued)

Analysis of direct costs

	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Depreciation	<b>140,299</b>	150,211
Premises costs	<b>91,429</b>	116,239
Donations	<b>154,573</b>	81,000
	<b>386,301</b>	347,450

Donations were made to OSGUK.

Staff costs are nil. Ealing Educational Resources Trust is run wholly by volunteers.

Analysis of support costs

	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Non educational premises costs	-	1,999
Professional charges	<b>7,816</b>	668
Governance costs	<b>5,077</b>	5,828
Administrative costs	<b>1,248</b>	21,737
	<b>14,141</b>	30,232

12. Auditor's remuneration

	<b>2021 £</b>	<i>2020 £</i>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<b>5,000</b>	5,750
Fees payable to the Charity's auditor in respect of:		
Non-audit services	<b>2,250</b>	-



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**EALING EDUCATIONAL RESOURCES TRUST**

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

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**13. 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).

**14. Tangible fixed assets**

**Group**

	Freehold property £	Freehold improvements £	Leasehold improvements £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>					
At 1 January 2021	2,345,228	118,061	589,308	73,227	3,125,824
Additions	-	-	-	18,620	18,620
Disposals	(545)	-	-	(10,201)	(10,746)
At 31 December 2021	2,344,683	118,061	589,308	81,646	3,133,698
<b>Depreciation</b>					
At 1 January 2021	135,260	12,792	153,016	31,321	332,389
Charge for the year	37,854	2,361	109,075	12,817	162,107
On disposals	(386)	-	-	(8,219)	(8,605)
At 31 December 2021	172,728	15,153	262,091	35,919	485,891
<b>Net book value</b>					
At 31 December 2021	2,171,955	102,908	327,217	45,727	2,647,807
At 31 December 2020	2,209,968	105,269	436,292	41,906	2,793,435

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**EALING EDUCATIONAL RESOURCES TRUST**

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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 £	Freehold improvements £	Leasehold improvements £	Total £
<b>Cost or valuation</b>				
At 1 January 2021	2,308,444	118,061	589,308	3,015,813
At 31 December 2021	<u>2,308,444</u>	<u>118,061</u>	<u>589,308</u>	<u>3,015,813</u>
<b>Depreciation</b>				
At 1 January 2021	107,787	12,792	153,016	273,595
Charge for the year	28,862	2,361	109,075	140,298
At 31 December 2021	<u>136,649</u>	<u>15,153</u>	<u>262,091</u>	<u>413,893</u>
<b>Net book value</b>				
At 31 December 2021	<u><u>2,171,795</u></u>	<u><u>102,908</u></u>	<u><u>327,217</u></u>	<u><u>2,601,920</u></u>
<i>At 31 December 2020</i>	<u><u>2,200,657</u></u>	<u><u>105,269</u></u>	<u><u>436,292</u></u>	<u><u>2,742,218</u></u>

The leasehold improvements have been reclassified from programme related investments in 2021, and the prior year has been restated. The costs relate to the refurbishment and repurposing of a leased site in Reading, 'The Quad'. The costs are being depreciated over the lease period of five years.

The brought forward figures have been restated.

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**EALING EDUCATIONAL RESOURCES TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**15. Fixed asset investments**

**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>
Zest Trading UK Limited	06357796	11 Arkwright Road, Reading, Berkshire, RG2 0LU	Sale of retail goods

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Profit/(Loss) / Surplus/ (Deficit) for the year £</b>	<b>Net assets £</b>
Zest Trading UK Limited	<b>1,300,797</b>	<b>(1,230,009)</b>	<b>70,788</b>	<b>117,094</b>

**EALING EDUCATIONAL RESOURCES TRUST**

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**16. Stocks**

	<b>Group 2021 £</b>	<i>Group 2020 £</i>
Stock	<b>131,428</b>	<i>110,397</i>

**17. Debtors**

	<b>Group 2021 £</b>	<i>Group 2020 RESTATED £</i>	<b>Charity 2021 £</b>	<i>Charity 2020 RESTATED £</i>
<b>Due within one year</b>				
Trade debtors	<b>39,313</b>	<i>36,105</i>	-	-
Amounts owed by group undertakings	-	-	-	<i>50,000</i>
Other debtors	<b>2,012</b>	<i>5,989</i>	-	<i>2,487</i>
Prepayments and accrued income	<b>2,469</b>	<i>24,519</i>	<b>2,469</b>	<i>24,519</i>
Tax recoverable	<b>2,164</b>	-	-	-
	<b>45,958</b>	<i>66,613</i>	<b>2,469</b>	<i>77,006</i>

**18. Creditors: Amounts falling due within one year**

	<b>Group 2021 £</b>	<i>Group 2020 £</i>	<b>Charity 2021 £</b>	<i>Charity 2020 £</i>
Other loans	<b>75,000</b>	<i>100,000</i>	-	-
Trade creditors	<b>59,006</b>	<i>48,971</i>	<b>(632)</b>	-
Other taxation and social security	-	<i>1,296</i>	-	-
Other creditors	<b>15,368</b>	<i>42,576</i>	-	-
Accruals and deferred income	<b>13,000</b>	<i>29,750</i>	<b>13,000</b>	<i>29,750</i>
	<b>162,374</b>	<i>222,593</i>	<b>12,368</b>	<i>29,750</i>

**EALING EDUCATIONAL RESOURCES TRUST**

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

**19. 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	<u>6,354,715</u>	<u>1,384,864</u>	<u>(1,457,609)</u>	<u>6,281,970</u>

**Statement of funds - prior year**

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
General Funds	<u>6,442,852</u>	<u>1,158,696</u>	<u>(1,366,833)</u>	<u>120,000</u>	<u>6,354,715</u>
<b>Restricted funds</b>					
Restricted Funds	<u>-</u>	<u>120,000</u>	<u>-</u>	<u>(120,000)</u>	<u>-</u>
<b>Total of funds</b>	<u>6,442,852</u>	<u>1,278,696</u>	<u>(1,366,833)</u>	<u>-</u>	<u>6,354,715</u>

**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	2,647,807	2,647,807
Current assets	3,796,537	3,796,537
Creditors due within one year	(162,374)	(162,374)
<b>Total</b>	<u>6,281,970</u>	<u>6,281,970</u>

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**EALING EDUCATIONAL RESOURCES TRUST**

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

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**20. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	<i>Endowment funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	2,793,435	2,793,435
Current assets	(50,000)	3,833,873	3,783,873
Creditors due within one year	50,000	(272,593)	(222,593)
<b>Total</b>	<b>-</b>	<b>6,354,715</b>	<b>6,354,715</b>

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

	<b>Group 2021 £</b>	<i>Group 2020 RESTATED £</i>
Net expenditure for the year (as per Statement of Financial Activities)	<b>(72,745)</b>	(109,874)
<b>Adjustments for:</b>		
Depreciation charges	<b>162,107</b>	180,663
Interest income shown in investing activities	-	(5,886)
Increase in stocks	<b>(21,031)</b>	(22,599)
Decrease/(increase) in debtors	<b>20,655</b>	(14,952)
Increase/(decrease) in creditors	<b>(35,219)</b>	12,515
Prior year restatement	-	21,737
<b>Net cash provided by operating activities</b>	<b>53,767</b>	61,604

**22. Analysis of cash and cash equivalents**

	<b>Group 2021 £</b>	<i>Group 2020 £</i>
Cash in hand	<b>3,619,151</b>	3,606,863
<b>Total cash and cash equivalents</b>	<b>3,619,151</b>	3,606,863

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## EALING EDUCATIONAL RESOURCES TRUST

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

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#### 23. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	3,606,863	12,288	3,619,151
Debt due within 1 year	(100,000)	25,000	(75,000)
	<u>3,506,863</u>	<u>37,288</u>	<u>3,544,151</u>

#### 24. Operating lease commitments

At 31 December 2021 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Not later than 1 year	132,460	96,460	120,000	84,000
Later than 1 year and not later than 5 years	211,620	141,580	200,000	120,000
	<u>344,080</u>	<u>238,040</u>	<u>320,000</u>	<u>204,000</u>

#### 25. Related Party Transactions

Grants totalling £154,573, included within charitable expenditure for the year ended 31 December 2021, comprise amounts payable to OSG, a related party by virtue of the following: Mr W Burgess was a Director and Trustee of OSG and also a Director of Zest Trading UK Ltd, the wholly owned subsidiary of Ealing Educational Resources Trust. Mr W Burgess also has multiple family connections to the Trustees of Ealing Education Resources Trust. Mr W Burgess resigned as a Director of Zest Trading UK Ltd on 15 February 2022.

As at the 31 December 2021, unsecured concessionary loans of £75,000 made to Zest Trading UK Ltd by Mrs H Brunsdon remained outstanding (2020: £100,000). These loans qualify as related party transactions as they were made by Mr J Silcock (Director of Zest Trading UK Ltd), on Mrs H Brunsdon's behalf, under the authority granted to him by a Lasting Power of Attorney for Property and Financial Affairs.

#### 26. Post balance sheet events

Property owned by the Trust at Chequers End Equestrian Centre, Chequers Lane, Cadmore End, HP14 3PQ has been sold in June 2022 for £2m.