

Charity Registration No. 1063272

ERMINE EDUCATION TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

ERMINE EDUCATION TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D J Stacey
	Mr A Lewis
	Mr M Stay
	K R Price
	Mr J G Stacey
Charity number	1063272
Principal address	Langley House Station Road Standon SG11 1QN
Independent examiner	Azets Audit Services Alpha House 4 Greek Street Stockport Cheshire United Kingdom SK3 8AB

ERMINE EDUCATION TRUST

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 11

ERMINE EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The trust's objects are to provide and maintain education site and premises for Focus Learning Trust schools.

In setting these objectives the trust considered the Charity Commission's guidance on public benefit.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the trust should undertake and public benefit.

Financial review

During the period, the total incoming resources were £192,305 compared to £305,622 in the previous year and the total resources expended in the year were £230,982 compared to £255,510 in the previous year.

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

The trustees has assessed the major risks to which the trust is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The Ermine Education Trust is registered charity (No. 1063272).

The Trust provides and maintains school premises to be used by schools linked to the Focus Learning Trust.

The Trust is governed by its Trust Deed dated 10 May 1997.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr D J Stacey

Mr A Lewis

Mr M Stay

K R Price

Mr J G Stacey

The Trustees are responsible for the appointment of new trustees. New Trustees will only be appointed after due consideration is given to eligibility, personal competence and specialist skills. New trustees, when appointed, are inducted into the working of the charity by the existing Trustees.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trust is run by it's trustees and has support from The Focus Learning Trust and the Brethren Christian Church.

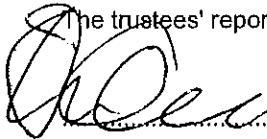
ERMINE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

In this financial period there are no related party transactions.

The trustees' report was approved by the Board of Trustees.



Mr J G Stacey

Trustee

Dated: 05.2.21

ERMINE EDUCATION TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ERMINE EDUCATION TRUST

I report to the trustees on my examination of the financial statements of Ermine Education Trust (the trust) for the year ended 31 December 2020.

Responsibilities and basis of report

As the trustees of the trust you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the trust's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (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 now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the trust as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Jonathan Ward ACA
Azets Audit Services
Alpha House
4 Greek Street
Stockport
Cheshire
SK3 8AB
United Kingdom

Dated:

ERMINE EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income from:</u>			
Donations and legacies	3	192,178	305,400
Investments	4	127	222
Total income		192,305	305,622
<u>Expenditure on:</u>			
Charitable activities	5	230,982	255,510
Net (expenditure)/income for the year/ Net movement in funds		(38,677)	50,112
Fund balances at 1 January 2020		3,100,446	3,050,334
Fund balances at 31 December 2020		3,061,769	3,100,446

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

All income and expenditure derive from continuing activities.

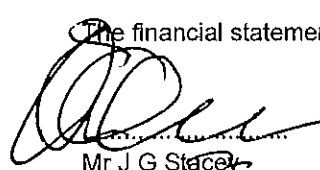
ERMINE EDUCATION TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	10		3,128,987		3,347,092
Current assets					
Debtors	11	915		704	
Cash at bank and in hand		251,787		141,530	
		252,702		142,234	
Creditors: amounts falling due within one year	12	(162,390)		(1,350)	
Net current assets			90,312		140,884
Total assets less current liabilities			3,219,299		3,487,976
Creditors: amounts falling due after more than one year	13		(157,530)		(387,530)
Net assets			3,061,769		3,100,446
Income funds					
Unrestricted funds			3,061,769		3,100,446
			3,061,769		3,100,446

The financial statements were approved by the Trustees on 21/12/2020


Mr J G Stacey
Trustee

ERMINE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Ermine Education Trust is a registered charity in England and Wales. Governed by a Trust Deed dated 10 May 1997.

1.1 Accounting convention

The financial statements have been prepared in accordance with the trust's Trust Deed dated 10 May 1997, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The trust is a Public Benefit Entity as defined by FRS 102.

The trust has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements 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 Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

1.4 Incoming resources

Income is recognised when the trust is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the trust has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

ERMINE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Resources expended

Resources expended are included in the statement of financial activities on an accruals basis.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories in the Statement of Financial Activities (SOFA) on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly whilst others are apportioned on an appropriate basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Buildings	10 years and 5 years straight line
Plant and machinery	30% and 50% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the trust reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The trust has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the trust's balance sheet when the trust becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ERMINE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the trust's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Total
	2020 £	2019 £
Donations and gifts	34,999	49,291
Focus Learning Trust grant	157,178	256,108
	<u>192,177</u>	<u>305,399</u>

ERMINE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

4 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	127	222

5 Charitable activities

	School premises ownership	School premises ownership
	2020	2019
	£	£
Depreciation and impairment	228,832	254,063
Telephone	110	97
	228,942	254,160
Share of governance costs (see note 7)	2,040	1,350
	230,982	255,510

6 Description of charitable activities

School premises ownership
School land and buildings maintenance

7 Support costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Audit fees	-	1,500	1,500	-	1,350	1,350
Legal and professional	-	540	540	-	-	-
	-	2,040	2,040	-	1,350	1,350
Analysed between						
Charitable activities	-	2,040	2,040	-	1,350	1,350

Governance costs includes payments to the auditors of £1,500 (2019 £1,350) for Independent Examination fees.

ERMINE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2020**

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

9 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Total	-	-

10 Tangible fixed assets

	Buildings £	Plant and machinery £	Total £
Cost			
At 1 January 2020	3,985,283	49,639	4,034,922
Additions	10,726	-	10,726
At 31 December 2020	3,996,009	49,639	4,045,648
Depreciation and impairment			
At 1 January 2020	643,259	44,570	687,829
Depreciation charged in the year	227,280	1,552	228,832
At 31 December 2020	870,539	46,122	916,661
Carrying amount			
At 31 December 2020	3,125,470	3,517	3,128,987
At 31 December 2019	3,342,023	5,069	3,347,092

11 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	890	679
Other debtors	25	25
	915	704

ERMINE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	890	-
Other creditors	160,000	-
Accruals and deferred income	1,500	1,350
	<u>162,390</u>	<u>1,350</u>

13 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Other creditors	<u>157,530</u>	<u>387,530</u>

14 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).