

**REPORT OF THE TRUSTEES AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
MEDWAY EDUCATION TRUST**

**Friend & Grant Ltd
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW**

MEDWAY EDUCATION TRUST

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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MEDWAY EDUCATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. 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 (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

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

The Trust's main activities are the support of Brethren schools and the provision of grants to organisations that support children and families.

Ethos

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

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

Values

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

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

Significant Activities

The Trust has supported the Brethren school in Maidstone, providing use of the school building and supporting the education provision provided by OneSchool Global UK.

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

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

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

OneSchool Global UK was incorporated for that purpose and, whilst recognising the responsibilities of each relevant local community, it is considered that the advantages of providing education through one organisation are considerable and that in particular allows:

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

MEDWAY EDUCATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Objectives

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

The key objective of the Trust is to further improve the quality of the space and building rented to OSG UK to facilitate an improved learning environment.

Financial Review

The Trust is supported and financed principally by income from the rental of the Trust's property. CAPEX projects are supported by Donations and Grants.

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

All CAPEX spend is budgeted for in advance and goes through a rigorous sign off procedure. Pledged donations are secured in advance of any expenditure and if any loans are required the repayment of these within agreed terms is also factored in.

Future Plans

There are plans to further improve the facilities over the coming years subject to the necessary CAPEX funds being available.

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

Going Concern

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. The adoption of this basis of accounting has no significant impact on the financial statements.

FINANCIAL REVIEW

Principal funding sources

The majority of the Trust's income comes from grants from One School Global, who have secured pledges in advance to cover the cost of capital projects in the coming year.

Reserves policy

The Trust maintains a minimum balance of £5,000 in its operating account and restricted capital funds are held in a capital account for future capital expenditure.

FUTURE PLANS

We intend to continue to support OneSchool Global UK to provide 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.

MEDWAY EDUCATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status

The Medway Education Trust ("The Charity") is an unincorporated Association that is registered with the Charity Commission, Registration No. 1066592. The Charity is governed by a Trust Deed made on 8 October 1997.

Trustee appointment, induction and training

Persons are appointed as Trustees (and thus members of the Committee) under Clause 11 of the Trust Deed. The Trustees serving at any time may propose the appointment of additional Trustees (up to a maximum of 13 Trustees serving at any one time) and these would be persons who have relevant experience and interest in the education field. From time to time the Trustees attend development days.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Trustees consider that systems continue to be in place to mitigate those risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1066592

Principal address

Linton Park School OSG Maidstone Campus
Heath Road
Linton
Maidstone
Kent
ME17 4HT

Trustees

D Allen
J Anderson
S Lyon
S Frost
R Worsley
S Bell
K Dupont
C Groombridge
P A Alexander
J Bruce
S Campbell
V G Woodcock
T Dupont

Auditors

Friend & Grant Ltd
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

MEDWAY EDUCATION TRUST

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

HSBC Holdings Plc
87 High Street
Gillingham
ME7 1BP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees 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, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 29th October 2021 and signed on its behalf by:



.....
J Bruce - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MEDWAY EDUCATION TRUST

Opinion

We have audited the financial statements of Medway Education Trust (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the group and parent charity Balance Sheets, the Consolidated Cash Flow Statement, parent charity Statement of Financial activities 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 applicable law and United Kingdom Accounting Standards (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 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 about the group's or 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.

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 Report of the Independent Auditors 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.

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 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 Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF MEDWAY EDUCATION TRUST

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 parent charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 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 a Report of the Independent Auditors 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:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud; and
- Assessment of identified fraud risk factors; and
- Review of cash expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance; and
- Physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions; and
- Identify and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
MEDWAY EDUCATION TRUST**

Use of our report

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



Mark Anthony Friend BSc FCA (Senior Statutory Auditor)
for and on behalf of Friend & Grant Ltd
(Statutory Auditors)
Bryant House
Bryant Road
Strood
Rochester
Kent
ME2 3EW

Date: 29th October 2021

MEDWAY EDUCATION TRUST

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

		Unrestricted funds	Restricted funds	2020 Total funds	2019 Total funds as restated £
	Notes	£	£	£	
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	136,480	39,581	176,061	829,693
Charitable activities	5				
Incoming resources from charitable activities		-	-	-	515,396
Other trading activities	3	1,944,683	-	1,944,683	1,282,764
Investment income	4	257	-	257	398
Other income	6	25,000	-	25,000	-
Total		2,106,420	39,581	2,146,001	2,628,251
EXPENDITURE ON					
Charitable activities	7				
Cost of activities		96,950	11,485	108,435	1,641,933
Fundraising		1,691,407	-	1,691,407	876,439
Other costs	9	416,543	-	416,543	173,121
Total		2,204,900	11,485	2,216,385	2,691,493
NET INCOME/(EXPENDITURE)		(98,480)	28,096	(70,384)	(63,242)
Transfers between funds	21	39,581	(39,581)	-	-
Net movement in funds		(58,899)	(11,485)	(70,384)	(63,242)
RECONCILIATION OF FUNDS					
Total funds brought forward					
As previously reported		4,230,459	447,189	4,677,648	4,567,769
Prior year adjustment	13	(173,121)	-	(173,121)	-
As restated		4,057,338	447,189	4,504,527	4,567,769
TOTAL FUNDS CARRIED FORWARD		3,998,439	435,704	4,434,143	4,504,527

The notes form part of these financial statements


MEDWAY EDUCATION TRUST

CONSOLIDATED BALANCE SHEET
31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds as restated £
FIXED ASSETS					
Tangible assets	14	4,023,197	435,704	4,458,901	4,359,505
CURRENT ASSETS					
Stocks		290,252	-	290,252	210,763
Debtors	16	140,282	-	140,282	396,426
Prepayments and accrued income		9,394	-	9,394	-
Cash at bank and in hand		<u>275,560</u>		<u>275,560</u>	<u>329,655</u>
		715,488	-	715,488	936,844
CREDITORS					
Amounts falling due within one year	17	(607,430)	-	(607,430)	(753,366)
NET CURRENT ASSETS		<u>108,058</u>	<u>-</u>	<u>108,058</u>	<u>183,478</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,131,255	435,704	4,566,959	4,542,983
CREDITORS					
Amounts falling due after more than one year	19	(44,167)	-	(44,167)	-
ACCRUALS AND DEFERRED INCOME	20	(88,649)	-	(88,649)	(38,456)
NET ASSETS		<u>3,998,439</u>	<u>435,704</u>	<u>4,434,143</u>	<u>4,504,527</u>
FUNDS	21				
Unrestricted funds				3,998,439	4,057,338
Restricted funds				<u>435,704</u>	<u>447,189</u>
TOTAL FUNDS				<u>4,434,143</u>	<u>4,504,527</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 29th October 2021 and were signed on its behalf by:


.....
J Bruce - Trustee


.....
P Alexander - Trustee

The notes form part of these financial statements

MEDWAY EDUCATION TRUST

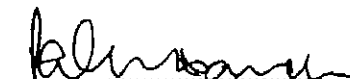
CHARITY BALANCE SHEET
31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	2020 Total funds £	2019 Total funds as restated £
FIXED ASSETS					
Tangible assets	14	3,650,644	435,704	4,086,348	4,119,996
Investments	15	<u>2</u>	<u>-</u>	<u>2</u>	<u>2</u>
		3,650,646	-	4,086,350	4,119,998
CURRENT ASSETS					
Debtors	16	209,157	-	209,157	361,413
Prepayments and accrued income		514	-	514	-
Cash at bank and in hand		<u>251,612</u>	<u>-</u>	<u>251,612</u>	<u>263,680</u>
		461,283	-	461,283	625,093
CREDITORS					
Amounts falling due within one year	17	(85,377)	-	(85,377)	(415,114)
NET CURRENT ASSETS		<u>375,906</u>	<u>-</u>	<u>375,906</u>	<u>209,979</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,026,552	435,704	4,462,256	4,329,975
ACCRUALS AND DEFERRED INCOME	20	(28,113)	-	(28,113)	(32,806)
NET ASSETS		<u>3,998,439</u>	<u>435,704</u>	<u>4,434,143</u>	<u>4,297,171</u>
FUNDS	21				
Unrestricted funds				3,998,439	3,849,982
Restricted funds				<u>435,704</u>	<u>447,189</u>
TOTAL FUNDS				<u>4,434,143</u>	<u>4,297,171</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 29th October 2021 and were signed on its behalf by:



J Bruce – Trustee



P Alexander – Trustee

The notes form part of these financial statements

MEDWAY EDUCATION TRUST

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

		2020	2019
	Notes	£	as restated £
Cash flows from operating activities			
Cash generated from operations	1	239,266	216,047
Interest paid		<u>(11,711)</u>	<u>(5,683)</u>
Net cash provided by operating activities		<u>227,555</u>	<u>210,364</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(281,907)	(165,125)
Interest received		<u>257</u>	<u>398</u>
Net cash used in Investing activities		<u>(281,650)</u>	<u>(164,727)</u>
Change in cash and cash equivalents in the reporting period		<u>(54,095)</u>	<u>45,637</u>
Cash and cash equivalents at the beginning of the reporting period		<u>329,655</u>	<u>284,018</u>
Cash and cash equivalents at the end of the reporting period		<u>275,560</u>	<u>329,655</u>

The notes form part of these financial statements

MEDWAY EDUCATION TRUST

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019 as restated
	£	£
Net Income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	(70,384)	(63,242)
Adjustments for:		
Depreciation charges	198,556	199,236
Interest received	(257)	(398)
Interest paid	11,711	5,683
Donation of assets	-	173,121
Stock movement	(79,489)	(92,792)
(Increase)/decrease in debtors	38,013	(12,615)
(Decrease)/increase in creditors	141,116	7,054
Net cash provided by operations	<u>239,266</u>	<u>216,047</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/20 £	Cash flow £	At 31/12/20 £
Net cash			
Cash at bank and in hand	<u>329,655</u>	<u>(54,095)</u>	<u>275,560</u>
	<u>329,655</u>	<u>(54,095)</u>	<u>275,560</u>
Debt			
Debts falling due within 1 year	(382,500)	(76,000)	(458,500)
Debts falling due in greater than 1 year	-	(44,167)	(44,167)
	<u>(382,500)</u>	<u>(120,167)</u>	<u>(502,667)</u>
Total	<u>(52,845)</u>	<u>(174,262)</u>	<u>(227,107)</u>

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements of the charity, which is a public benefit entity under FRS 102, 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)', the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

No material uncertainties that may cast doubt about the ability of the charity to continue as a going concern have been identified by the trustees.

Basis of consolidation

The group financial statements consolidated the financial statements of the charity and its subsidiary undertaking, Linton Projects Ltd, on a line-by-line basis.

Recognition of income

Income is included in the Statement of Financial Activities when the charity becomes entitled to the resource, it is more likely than not that the trustees will receive the resources; and the monetary value can be measured with sufficient reliability.

Income is recognised at fair value, derived from ordinary activities and net of sales taxes and any trade discounts.

Donations

Donations are included in the Statement of Financial Activities when the general income recognition criteria are met.

Volunteers' contribution

The contribution from volunteers has not been included in the Statement of Financial Activities as the value of their contribution cannot be reliably quantified in financial terms.

Gift Aid

Gift Aid receivable is included in income when there is a valid declaration from the donor. Any Gift Aid amount recovered on a donation is considered to be part of that gift and is treated as an addition to the same fund as the initial donation unless the donor or the terms of the appeal have specified otherwise.

Expenditure and liabilities

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

All support costs are allocated directly to the Charitable Activities which they support. Whilst a minimal amount of support costs could be allocated to governance costs. It is not considered appropriate for such an allocation to be made due to the cost involved in doing so and since there would be no impact on the true and fair view of the accounts produced.

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- 2% on cost and 10% on cost
Fixtures and fittings	- 20% on reducing balance

Fixed assets costing less than £200 are not capitalised but are treated as expensed in the year of purchase.

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

The part of the depreciation which relates to assets paid for with restricted funds is charged to the restricted fund.

Regular impairment reviews are carried out to ensure that fixed assets are recorded in the financial statements at no more than their recoverable amount. Any resulting impairment loss is measured and recognised on a consistent basis.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Related party exemption

The charity has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Financial instruments

Basic financial assets / liabilities including trade and other receivable / payables and cash and bank balances, are initially recognised at transaction price unless the arrangement constitutes a financing transaction (loan over period of time) where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Such assets / liabilities are subsequently carried at amortised cost using the effective interest method.

Fixed asset investments

Investments in subsidiary undertakings are recognised at cost.

MEDWAY EDUCATION TRUST

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. DONATIONS AND LEGACIES

	2020	2019 as restated
	£	£
Grants and other donations	173,187	815,236
Legacies	-	8,404
Tax recovered	<u>2,874</u>	<u>6,053</u>
	<u>176,061</u>	<u>829,693</u>

3. OTHER TRADING ACTIVITIES

	2020	2019 as restated
	£	£
Uniform sales	-	13,027
Other income	5,000	13,717
Subsidiary trading income	<u>1,939,683</u>	<u>1,256,020</u>
	<u>1,944,683</u>	<u>1,282,764</u>

Lessor commitments

At the year end the charity have leased owned assets in regards to rental of a freehold property which is capitalised within the balance sheet. The amounts committed to be received during the rented term are listed below:-

	2020	2019 as restated
	£	£
Within 1 year	5,000	-
1-5 years	20,000	-
More than 5 years	<u>10,000</u>	<u>-</u>
	<u>35,000</u>	<u>-</u>

4. INVESTMENT INCOME

	2020	2019 as restated
	£	£
Deposit account interest	<u>257</u>	<u>398</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020	2019 as restated
		£	£
School fees	Incoming resources from charitable activities	<u>-</u>	<u>515,396</u>

MEDWAY EDUCATION TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

6. OTHER INCOME

	2020	2019 as restated
	£	£
Government grants	<u>25,000</u>	<u>-</u>
	<u>25,000</u>	<u>-</u>

7. CHARITABLE ACTIVITIES COSTS

	2020	2019 as restated
	£	£
Cost of activities		
Wages	-	896,959
Employers N.I.	-	81,991
Pensions	-	119,533
Council rates	-	13,396
Cleaning and janitorial	-	47,168
Telephone, light and heat and other utilities	-	43,192
Postage and stationery	-	8,026
Premises expenses	-	51,879
Examination fees	-	24,658
Classroom materials	-	24,406
Staff recruitment	-	2,005
Motor and travel expenses	-	67,420
Staff training	-	793
School trips	-	2,927
Event expenses	-	9,382
Canteen costs	-	17,295
Virtual classroom costs	-	4,589
Uniform purchases	-	10,137
Professional fees	-	2,849
Other costs	-	12,656
Bank charges	1,502	2,799
Depreciation	92,275	181,673
Interest payable	5,058	-
Auditors' remuneration	5,400	16,200
Auditors' remuneration for non audit work	<u>4,200</u>	<u>-</u>
	<u>108,435</u>	<u>1,641,933</u>

MEDWAY EDUCATION TRUST

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. CHARITABLE ACTIVITIES COSTS - continued

	2020	2019 as restated
	£	£
Fundraising costs		
Rent	2,752	-
Council rates	5,016	7,536
Insurance	2,560	1,602
Telephone, light and heat and other utilities	38,546	17,121
Postage and stationery	2,605	1,366
Premises expenses	15,035	1,135
Advertising	5,637	259
Motor and travel expenses	3,864	-
Subscriptions	4,006	405
Purchases	1,464,986	805,208
Other costs	-	1,574
Bank charges	27,866	16,289
Depreciation	106,281	17,563
Interest payable	6,653	5,683
Auditors' remuneration for non audit work	5,600	698
	<u>1,691,407</u>	<u>876,439</u>

8. SUPPORT COSTS

	Support costs £
Charitable activities	<u>15,200</u>

Activity **Basis of allocation**
 Governance costs **All support costs are allocated to charitable activities.**

Support costs, included in the above, are as follows:

Governance costs	2020	2019 as restated
	£	£
Auditor's remuneration	5,400	16,200
Auditor's remuneration for non-audit work	<u>9,800</u>	<u>698</u>
	<u>15,200</u>	<u>16,898</u>

MEDWAY EDUCATION TRUST**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020****9. OTHER COSTS**

	2020	2019 as restated
	£	£
Donations to OneSchool Global	416,543	173,121
	<u>416,543</u>	<u>173,121</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

During the year ended 31 December 2020 the trustees were re-imbursed £Nil (2019: £8,515) in relation to expenses.

11. STAFF COSTS

	2020	2019 as restated
	£	£
Wages and salaries	-	896,959
Social security costs	-	81,991
Pension costs	-	119,533
	<u>-</u>	<u>1,098,483</u>

The average monthly number of employees in the year was:

	2020	2019 as restated
	£	£
Teaching staff	-	18
Support staff	-	7
	<u>-</u>	<u>25</u>

The number of employees who received emoluments (excluding pension contributions) in excess of £60,000, shown in bands of £10,000, are as follows:

	2020	2019 as restated
	£	£
Between £60,000 and £70,000	<u>-</u>	<u>1</u>

MEDWAY EDUCATION TRUST

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	829,693	-	829,693
Charitable activities			
Incoming resources from charitable activities	515,396	-	515,396
Other trading activities	1,282,764	-	1,282,764
Investment income	398	-	398
Total	2,628,251	-	2,628,251
EXPENDITURE ON			
Charitable activities			
Cost of activities	1,630,448	11,485	1,641,933
Fundraising	876,439	-	876,439
Other costs	173,121	-	173,121
Total	2,680,008	11,485	2,691,493
NET INCOME/(EXPENDITURE)	(51,757)	(11,485)	(63,242)
RECONCILIATION OF FUNDS			
Total funds brought forward	4,109,095	458,674	4,567,769
TOTAL FUNDS CARRIED FORWARD	<u>4,057,338</u>	<u>447,189</u>	<u>4,504,527</u>

MEDWAY EDUCATION TRUST**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. PRIOR YEAR ADJUSTMENT

Fixed assets that were donated to OneSchool Global during the year ended 31 December 2019 were incorrectly included in other debtors in the financial statements for that year. The 31 December 2019 financial statements have been restated to correct this error. The effect of the restatement on the financial statements is summarised below.

	Effect on 2019 £
Increase in donations paid	<u>173,121</u>
Increase in net expenditure	<u>173,121</u>
Decrease in other debtors	<u>173,121</u>
Decrease in unrestricted funds	<u>173,121</u>

Amounts owing to OneSchool Global in relation to school fees were incorrectly classified as deferred income in the 31 December 2019 financial statements. The financial statements of 2019 have been restated to correct this error. The effect of the restatement on those financial statements is summarised below.

	Effect on 2019 £
Decrease in deferred income	<u>325,927</u>
Increase in other creditors	<u>325,927</u>

MEDWAY EDUCATION TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

14. GROUP TANGIBLE FIXED ASSETS

	Land and buildings £	Fixtures and Fittings £	Totals £
COST			
At 1 January 2020	5,098,313	107,832	5,206,145
Additions	233,542	64,410	297,952
Disposals	-	-	-
At 31 December 2020	<u>5,331,855</u>	<u>172,242</u>	<u>5,504,097</u>
DEPRECIATION			
At 1 January 2020	809,064	37,576	846,640
Charge for year	171,623	26,933	198,556
Eliminated on disposal	-	-	-
At 31 December 2020	<u>980,687</u>	<u>64,509</u>	<u>1,045,196</u>
NET BOOK VALUE			
At 31 December 2020	<u>4,351,168</u>	<u>107,733</u>	<u>4,458,901</u>
At 31 December 2019	<u>4,289,249</u>	<u>70,256</u>	<u>4,359,505</u>

14. CHARITY TANGIBLE FIXED ASSETS

	Land and buildings £
COST	
At 1 January 2020	4,929,060
Additions	<u>58,627</u>
At 31 December 2020	<u>4,987,687</u>
DEPRECIATION	
At 1 January 2020	809,064
Charge for year	<u>92,275</u>
At 31 December 2020	<u>901,339</u>
NET BOOK VALUE	
At 31 December 2020	<u>4,086,348</u>
At 31 December 2019	<u>4,119,996</u>

MEDWAY EDUCATION TRUST**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020****15. CHARITY FIXED ASSET INVESTMENTS**

	Shares in group undertaking £
COST LESS IMPAIRMENT	
At 1 January 2020 and 31 December 2020	<u>2</u>
NET BOOK VALUE	
At 31 December 2020	<u>2</u>
At 31 December 2019	<u>2</u>

There were no investment assets outside the UK.

The charity's investments at the balance sheet date in the share capital of companies include the following:

Linton Projects Ltd

Registered office: OneSchool Global Maidstone Campus, Heath Road, Maidstone, Kent, ME17 4HT

Nature of business: Retail

Class of share:	% holding
Ordinary	100

The investment in the subsidiary, Linton Projects Ltd represents 100% of the company's share capital. A summary of the trading results is shown below.

Profit & loss account	2020
	£
Income	2,050,288
Expenditure	<u>(1,691,407)</u>
Net profit	<u>358,881</u>
Balance sheet	2021
	£
Fixed assets	372,553
Current assets	462,942
Current liabilities	(791,326)
Non-current liabilities	<u>(44,167)</u>
Net assets	<u>2</u>

There are no investments that fall outside of the group.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2020	2019 as restated	2020	2019 as restated
	£	£	£	£
Trade debtors	110,986	376,274	420	361,413
Other debtors	<u>29,296</u>	<u>20,152</u>	<u>208,737</u>	<u>-</u>
	<u>140,282</u>	<u>396,426</u>	<u>209,157</u>	<u>361,413</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2020	2019 as restated	2020	2019 as restated
	£	£	£	£
Bank loans and overdrafts	5,833	-	-	-
Trade creditors	102,280	24,456	377	3,142
Taxation and social security	18,988	12,902	-	-
Other creditors	<u>480,329</u>	<u>716,008</u>	<u>85,000</u>	<u>411,972</u>
	<u>607,430</u>	<u>753,366</u>	<u>85,377</u>	<u>415,114</u>

18. Loans

An analysis of the maturity of the loans is given below:

	Group		Charity	
	2020	2019 as restated	2020	2019 as restated
	£	£	£	£
Amounts falling due within one year on demand:				
Other loans	<u>458,500</u>	<u>382,500</u>	<u>85,000</u>	<u>85,000</u>
Amounts falling due within one year repayable by instalments:				
Bank loans	<u>5,833</u>	<u>-</u>	<u>-</u>	<u>-</u>

MEDWAY EDUCATION TRUST

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Charity	
	2020	2019 as restated	2020	2019 as restated
	£	£	£	£
Bank loans	<u>44,167</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts falling due in more than five years				
Repayable by instalments				
Bank loans more than 5 yr by instal	<u>4,167</u>	<u>-</u>	<u>-</u>	<u>-</u>

20. ACCRUALS AND DEFERRED INCOME

	Group		Charity	
	2020	2019 as restated	2020	2019 as restated
	£	£	£	£
Accruals and deferred income	<u>88,649</u>	<u>38,456</u>	<u>28,113</u>	<u>32,806</u>
	<u>88,649</u>	<u>38,456</u>	<u>28,113</u>	<u>32,806</u>

MEDWAY EDUCATION TRUST

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

21. MOVEMENT IN FUNDS

	At 1/1/20 £	Prior year adjustment £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds					
General fund	4,230,459	(173,121)	(98,480)	39,581	3,998,439
Restricted funds					
Restricted	447,189	-	28,096	(39,581)	435,704
TOTAL FUNDS	<u>4,677,648</u>	<u>(173,121)</u>	<u>(70,384)</u>	<u>-</u>	<u>4,434,143</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,106,420	(2,204,900)	(98,480)
Restricted funds			
Restricted	39,581	(11,485)	28,096
TOTAL FUNDS	<u>2,146,001</u>	<u>(2,216,385)</u>	<u>(70,384)</u>

MEDWAY EDUCATION TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

21. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	At 31/12/19 £
Unrestricted funds			
General fund	4,109,095	(51,757)	4,057,338
Restricted funds			
Restricted	458,674	(11,485)	447,189
TOTAL FUNDS	<u>4,567,769</u>	<u>(63,242)</u>	<u>4,504,527</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,628,251	(2,680,008)	(51,757)
Restricted funds			
Restricted	-	(11,485)	(11,485)
TOTAL FUNDS	<u>2,628,251</u>	<u>(2,691,493)</u>	<u>(63,242)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

22. RELATED PARTY DISCLOSURES

During the period, total key management personnel compensation of £Nil (2019: £67,706) was paid.

Several businesses run by the charity's trustees provided goods or services to the charity at arms length during the prior year as listed below:

Trustee	Business of trustee	Cost of goods / services provided 2020 £	Cost of goods / services provided 2019 £
V Woodcock	Multifix Supply Co	-	323
S Bell	Thermo Group	-	1,619
J Bruce	Capella Solutions	-	198
T Dupont	RVT Group	-	300
		-	2,440

23. FINANCIAL INSTRUMENTS

	Group		Charity	
	2020	2019 as restated	2020	2019 as restated
	£	£	£	£
Financial assets				
Financial assets that are debt instruments measured at amortised cost	<u>715,488</u>	<u>936,844</u>	<u>461,283</u>	<u>625,093</u>
	<u>715,488</u>	<u>936,844</u>	<u>461,283</u>	<u>625,093</u>
Financial liabilities				
Financial liabilities measured at amortised cost	<u>740,246</u>	<u>791,822</u>	<u>113,490</u>	<u>447,920</u>
	<u>740,246</u>	<u>791,822</u>	<u>113,490</u>	<u>447,920</u>

Financial assets measured at amortised cost comprise trade debtors, other debtors, and cash and cash equivalents.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, other loans, bank loans and VAT.

MEDWAY EDUCATION TRUST**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

24. GOVERNMENT GRANTS

Government grants received were as follows:

	Group		Charity	
	2020	2019 as restated	2020	2019 as restated
	£	£	£	£
Covid 19 rates support	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>25,000</u>	<u>-</u>	<u>-</u>	<u>-</u>

MEDWAY EDUCATION TRUST**CONSOLIDATED DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 as restated £
INCOME AND ENDOWMENTS		
Donations and legacies		
Grants and other donations	173,187	815,236
Legacies	-	8,404
Tax recovered	<u>2,874</u>	<u>6,053</u>
	176,061	829,693
Other trading activities		
Uniform sales	-	13,027
Other income	5,000	13,717
Subsidiary trading income	<u>1,939,683</u>	<u>1,256,020</u>
	1,944,683	1,282,764
Investment Income		
Deposit account interest	257	398
Charitable activities		
School fees	-	515,396
Other Income		
Government grants	<u>25,000</u>	<u>-</u>
Total Incoming resources	2,146,001	2,628,251
EXPENDITURE		
Charitable activities		
Wages	-	896,959
Employers N.I.	-	81,991
Pensions	-	119,533
Rent	2,752	-
Council rates	5,016	20,932
Insurance	2,560	1,602
Cleaning and janitorial	-	47,168
Telephone, light and heat and other utilities	38,546	60,313
Postage and stationery	2,605	9,392
Premises expenses	15,035	53,014
Advertising	5,637	259
Examination fees	-	24,658
Classroom materials	-	24,406
Staff recruitment	-	2,005
Motor and travel expenses	3,864	67,420
Staff training	-	793
School trips	-	2,927
Event expenses	-	9,382
Canteen costs	-	17,295
Virtual classroom costs	-	4,589
Uniform purchases	-	10,137

This page does not form part of the statutory financial statements

MEDWAY EDUCATION TRUST**CONSOLIDATED DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 as restated £
Professional fees	-	2,849
Subscriptions	4,006	405
Trading subsidiary purchases	1,464,986	805,208
Other costs	-	14,230
Bank charges	29,368	19,088
Depreciation	198,556	199,236
Interest payable	11,711	5,683
	<u>1,784,642</u>	<u>2,501,474</u>
Other costs		
Donations	416,543	173,121
Support costs		
Governance costs		
Auditors' remuneration	5,400	16,200
Auditors' remuneration for non audit work	9,800	698
	<u>15,200</u>	<u>16,898</u>
Total resources expended	<u>2,216,385</u>	<u>2,691,493</u>
Net income/(expenditure)	<u>(70,384)</u>	<u>(63,242)</u>