

REGISTERED CHARITY NUMBER: 1096922

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
KEYSTONE EDUCATION TRUST**

Gerald Thomas
Chartered Accountants
3 New Mill Court
Swansea Enterprise Park
Swansea
SA7 9FG

KEYSTONE EDUCATION TRUST

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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KEYSTONE EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 DECEMBER 2020

Registered Charity name

Keystone Educational Trust

The charity is affiliated to OneSchool Global UK (registered charity number 1181301) and the OneSchool Swansea Campus.

Registered Charity number

1096922

Principal address

Keystone Education Trust
Sway Road
Morriston
Swansea
SA6 6JA

Trustees

R M Nunn - Learning support and academic care team
N B Ker - Finance
D J Gardiner - Safeguarding and child protection
N Hill - Lead Campus Administrator
C Marsh - HR and recruitment
E Swanson - Community liaison, communications and marketing/events
R M Wells - H&S, premises, faculty and educational visits

The trustee holding title to the property belonging to the charity during the year was R M Nunn.

Independent examiner

Gerald Thomas
Chartered Accountants
3 New Mill Court
Swansea Enterprise Park
Swansea
SA7 9FG

Solicitors

JCP Solicitors
Venture Court
Waterside Business Park
Valley Way
Enterprise Park
Swansea
SA6 8QP

Bankers

Lloyds Bank Plc
113 High Street
Gorseinon
Swansea
SA4 4BR

KEYSTONE 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

Objects

The charitable objects 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

In furtherance of its objects the Trust previously operated an independent school based in Morriston, Swansea (the 'School'), which educated pupils from ages 7 to 18.

The trustees had, for some time, been reviewing and considering the basis on which they operated the Trust and in undertaking such a review concluded that it was prudent to consolidate the Trust along with other Trusts so that they are operated by a single charitable Trust.

OneSchool Global UK was incorporated for this purpose and, whilst recognising the responsibilities of each relevant local community, it is considered that the advantages of such consolidation are considerable and that in particular it will allow:

- (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.

KEYSTONE EDUCATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

OBJECTIVES AND ACTIVITIES

Significant activities - continued

The consolidation was undertaken on 31 December 2019 by means of the transfer of the operations of the Trust to OneSchool Global UK. The impact of the consolidation on the financial statements is a transfer of the non-property fixed assets to OneSchool Global UK which occurred on 31 December 2019. The Trust remained responsible for the collection of the current assets and settlement of the liabilities present as at 31 December 2019. The Trust's employees were transferred to OneSchool Global UK under a TUPE agreement as at 31 December 2019 and the operation of the School's activities were undertaken by OneSchool Global UK from 1 January 2020.

The revised activities of the Trust from 1 January 2020 are the provision of the property under a short term lease to OneSchool Global UK, so as to enable the ongoing operation of the School's activities at the Swansea campus. The Trust also supports the educational provision at the School by donating surplus reserves to OneSchool Global UK to be utilised at the Swansea campus.

The trustees have obtained agreement from the Charity Commission that the revised activities are within the scope of the Trust's charitable objects.

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.

Focus Learning Trust / OneSchool Global UK

Up until 31 May 2019, The Trust was affiliated to Focus Learning Trust (registered charity number 1099725), which provided educational, operational and financial support to the Trust and to a number of similar charities operating Schools linked with the Plymouth Brethren Christian Church.

From 1 June 2019 the Trust became affiliated to OneSchool Global UK (registered charity number 1181301), which provided educational, operational and financial support to the Trust and to a number of similar charities operating Schools linked with the Plymouth Brethren Christian Church. OneSchool Global UK's activities are the advancement of education and in particular, by the provision and conduct of schools for the education of boys and girls in accordance with the religious ethos of the Plymouth Brethren Christian Church and other associated activities for the benefit of the community.

As noted above the operation of the School's activities were transferred to OneSchool Global UK from 1 January 2020.

Volunteer contribution

Prior to the transfer of the School's activities to OneSchool Global UK from 1 January 2020, the School was run by volunteer executives, some of whom were parents of pupils.

Parent and other volunteers also provided support to the school in various ways, such as driving school buses and assisting with lunchtime supervision, school excursions, charity fundraising and other extra-curricular activities in which the school engaged.

Designated funds

The trustees have internally designated a separate fund, which aims to segregate the incoming and outgoing resources, assets and liabilities that relate to the School's land and buildings and fixtures and fittings.

KEYSTONE EDUCATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW

Financial position

The unrestricted deficit for the year was £6,203 which represents the income generated from the trading subsidiary and other donations less amounts donated to OneSchool Global UK. The amount received from the subsidiary during the year was £93,338 compared to £106,168 in 2019. Donations to OneSchool Global UK during the year were £105,068.

The designated capital reserve reported a deficit of £75,795. Designated fund results fluctuate depending upon the amount of capital grants received from OneSchool Global UK and the level of expenditure required to maintain the property. In the current year, the Trust received a grant of £49,750 which was unspent as at the balance sheet date. The designated fund expenditure during the year was mainly depreciation charges and this is the reason for the deficit. Deficits are likely to be reported in future years due to the depreciation charges, however it should be noted that these are not a cash deficits.

At the balance sheet date the unrestricted reserves are £362,486, and designated reserves are £233,243.

The reported debtors and creditors figures per the balance sheet include fund equalisation balances of £251,745, these amounts are accounting adjustments only which are required to balance the unrestricted and designated funds.

Principal funding sources

In the prior period the School was financed principally by school fees, grants from Focus Learning Trust/ OneSchool Global UK, and income from the Trust's trading subsidiary Magna Trading Limited.

As noted above the operation of the School's activities were transferred to OneSchool Global UK from 1 January 2020.

From 1 January 2020, the Trust's principal income source is the donations from the trading subsidiary Magna Trading Limited. The Trust also receives capital grants and service charge income from OneSchool Global UK.

Reserves policy

The charity's current policy is to maintain reserves sufficient to fund any projected capital projects and future building maintenance and costs and to meet all known liabilities as they fall due.

The total reserves at the period end of £595,729, with cash balances held of £127,018. This is sufficient to satisfy the reserves policy.

Going concern

The Trustees assess that the charity has adequate resources to continue in operational existence for the foreseeable future and adopt the going concern basis in preparing the financial statements.

FUTURE PLANS

We intend to continue to support OneSchool Global UK to provide/deliver a quality, consistent and high level of educational experience and outcome for all students and staff, in accordance with the Trust's ethos and values. The Trust will continue as a property holding Trust to provide suitable premises for the education of the students.

KEYSTONE EDUCATION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Group structure

The group consists of the parent charity, Keystone Education Trust, and its wholly owned trading subsidiary, Magna Trading Limited.

Governing document

The Trust is an unincorporated association that is registered as a charity by the Charity Commission by a trust deed dated 30 December 2002. The subsidiary is a limited company, incorporated on 13 July 2007 in England and Wales.

Recruitment and appointment of new trustees

The Trust aims to maintain a Board of Trustees who have sufficient skills to ensure the effective running of the charity and are not remunerated. Where additional or replacement trustees are identified as needed, the existing Board will identify potential candidates from within the Brethren community and invite these candidates to apply to the Board.

Organisational structure

The trustees are each assigned individual areas of responsibility for which they are accountable to the Board of Trustees. The trustees delegate decisions on trading and fundraising to the management personnel of the subsidiary.

Induction and training of trustees

New trustees are inducted and trained by including the candidate in Trust meetings and by shadowing other trustee/s for them to learn the role and responsibilities. Additionally, new trustees are provided with literature from the Charity Commission as to their responsibilities. Trustees are encouraged to attend appropriate training seminars, which are circulated from time to time.

Key management remuneration

Key management personnel are considered to be those personnel who are not trustees but sit within key operational and strategic roles. Remuneration of key management personnel is set broadly in line with current state pay scales.

Related parties

Details of related party transactions are shown in the notes to the financial statements.

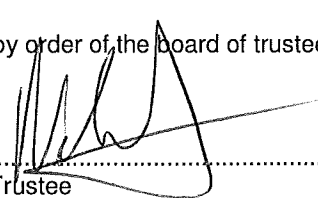
Risk management

In compliance with the Charities SORP, the major risks to which the Charity is exposed, as identified by trustees, have been reviewed and systems have been established to manage those risks, including reviews at board meetings.

The consolidation into OSG (UK) means that Keystone Education Trust has essentially become a property trust receiving a service charge from OSG (UK).

Property and compliance risk management is considered on a regular basis.

Approved by order of the board of trustees on 26/10/2021 and signed on its behalf by:


.....
N B Ker - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF KEYSTONE EDUCATION TRUST

Independent examiner's report to the trustees of Keystone Education Trust

I report to the charity trustees on my examination of the accounts of Keystone Education Trust (the Trust) for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

Rachel Doyle ACA FCCA
for and on behalf of Gerald Thomas
Chartered Accountants
3 New Mill Court
Swansea Enterprise Park
Swansea
SA7 9FG

Date: 26/10/21

KEYSTONE EDUCATION TRUST

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

	Notes	Unrestricted funds £	Designated funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	3,163	49,749	52,912	432,154
Other trading activities	3	-	-	-	93,801
Investment income	4	<u>98,338</u>	<u>39</u>	<u>98,377</u>	<u>106,222</u>
Total		101,501	49,788	151,289	632,177
EXPENDITURE ON					
Raising funds	5	-	-	-	12,452
Charitable activities					
School	6	<u>107,704</u>	<u>125,583</u>	<u>233,287</u>	<u>755,117</u>
Total		<u>107,704</u>	<u>125,583</u>	<u>233,287</u>	<u>767,569</u>
NET INCOME/(EXPENDITURE)		(6,203)	(75,795)	(81,998)	(135,392)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>368,689</u>	<u>309,038</u>	<u>677,727</u>	<u>813,119</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>362,486</u></u>	<u><u>233,243</u></u>	<u><u>595,729</u></u>	<u><u>677,727</u></u>

The notes form part of these financial statements

KEYSTONE EDUCATION TRUST

**BALANCE SHEET
31 DECEMBER 2020**

	Notes	Unrestricted funds £	Designated funds £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	12	-	562,971	562,971	681,103
Investments	13	<u>3</u>	<u>-</u>	<u>3</u>	<u>3</u>
		3	562,971	562,974	681,106
CURRENT ASSETS					
Debtors	14	360,543	-	360,543	426,754
Cash at bank and in hand		<u>5,000</u>	<u>122,018</u>	<u>127,018</u>	<u>105,394</u>
		365,543	122,018	487,561	532,148
CREDITORS					
Amounts falling due within one year	15	(3,060)	(251,746)	(254,806)	(335,527)
NET CURRENT ASSETS		<u>362,483</u>	<u>(129,728)</u>	<u>232,755</u>	<u>196,621</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		362,486	433,243	795,729	877,727
CREDITORS					
Amounts falling due after more than one year	16	-	(200,000)	(200,000)	(200,000)
NET ASSETS		<u>362,486</u>	<u>233,243</u>	<u>595,729</u>	<u>677,727</u>
FUNDS	18				
Unrestricted funds				362,486	368,689
Designated funds				<u>233,243</u>	<u>309,038</u>
TOTAL FUNDS				<u>595,729</u>	<u>677,727</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 26/10/2021 and were signed on its behalf by:

.....
N B Ker Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements are presented in Sterling (£).

Going concern

The trustees are confident that future incoming resources will be sufficient to cover the operational costs of the charity. There are no material uncertainties about the charity's ability to continue as a going concern.

The trustees have considered any potential risks to going concern in relation to the coronavirus pandemic. The Trust's activities as a property holding trust have not been significantly affected by the pandemic. The School operations, as undertaken by OneSchool Global UK, have been carried out remotely throughout the pandemic related lockdowns.

The trustees therefore have a reasonable expectation that the charity will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, the trustees continue to adopt the going concern basis in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

The trustees make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are addressed below:

(i) Impairment reviews

The trustees carry out annual reviews of fixed assets to assess whether there are any indications of impairment. Where indications of impairment exist, the trustees consider the recoverable amount of the relevant asset, based upon either value in use or net realisable value, depending upon the function of the asset in question. Impairment provisions are recognised in the statement of financial activities, within the relevant cost category to which the asset relates.

(ii) Useful economic lives of tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives of the assets. The useful economic lives are reassessed annually and are amended when necessary to reflect current estimates of economic utilisation and physical condition of the assets.

KEYSTONE EDUCATION TRUST

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

1. ACCOUNTING POLICIES - continued

Income recognition

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Gift Aid reclaims are recognised in the same period that the gift or donation was made, subject to the overriding income recognition policy. Donated goods and facilities are only recognised as incoming resources when the benefit to the charity can be reasonably quantified or measured and is considered material to the charity.

Expenditure

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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities

Expenditure classified as charitable activities 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 the activities.

Governance and support costs

Support costs are those functions that assist the work of the charity but do not directly relate to charitable activities. Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs relating to independent examination and legal fees, together with an apportionment of overhead and support costs.

Tangible fixed assets

Tangible fixed assets costing more than £200 are capitalised at purchase cost. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- Over 25 years
Freehold property improvements	- Over 7 years

Impairment reviews are carried out if events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable through use (for assets in use by the charity) or through sale (for surplus assets).

Taxation

The charity is exempt from tax on its charitable activities.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

KEYSTONE EDUCATION TRUST

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

1. ACCOUNTING POLICIES - continued

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.

Designated funds relate to funds set aside for fixed assets. The trustees consider that designated funds should be clearly differentiated from other unrestricted funds on the face of the Statement of Financial Activities and Balance Sheet, in order for the accounts to show a true and fair view.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charity operated a defined contribution pension scheme. Contributions payable to the charity's pension scheme were charged to the Statement of Financial Activities in the period to which they related.

Investments

Fixed asset investments are valued at the lower of cost and net realisable value.

Financial Instruments

The charity has mainly financial assets and 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. Long term loans are stated at fair value.

Volunteers

The value of services provided by volunteers is not incorporated into the financial statements, as it cannot be readily quantified.

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations	2,790	5,188
Gift aid	-	3,416
Grants	49,750	418,972
School uniforms	-	3,587
Other income	372	991
	<u>52,912</u>	<u>469,126</u>

3. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
School fees	<u>-</u>	<u>93,801</u>

KEYSTONE EDUCATION TRUST

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

4. INVESTMENT INCOME

	2020 £	2019 £
Service charges	5,000	-
Donations from subsidiary undertaking	93,338	106,168
Deposit account interest	39	54
	<u>98,377</u>	<u>106,222</u>

5. RAISING FUNDS

	2020 £	2019 £
Events and fundraising costs	-	12,452

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support & governance costs £	Totals £
School	<u>105,068</u>	<u>2,636</u>	<u>107,704</u>
		2020 £	2019 £
Salaries, NI & Pension		-	439,096
Donations to OneSchool Global UK		105,068	-
Computer costs		-	1,434
Excursions		-	371
Telephone		-	2,283
Learning resources		-	10,820
Exam fees		-	7,888
Faculty expenses		-	4,826
Staff training		-	7,249
Uniform costs		-	2,086
Motor and travel		-	23,232
Postage and stationary		-	3,236
Donated assets		-	38,900
		<u>105,068</u>	<u>541,421</u>
Total		105,068	541,421
Support costs		136	209,376
Governance costs		<u>2,500</u>	<u>4,320</u>
		<u>107,704</u>	<u>755,117</u>

KEYSTONE EDUCATION TRUST**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020****7. SUPPORT COSTS**

	Property costs £	Finance £	Governance costs £	2020 £
School	<u>-</u>	<u>136</u>	<u>2,500</u>	<u>2,636</u>
	Property costs £	Finance £	Governance costs £	2019 £
School	<u>199,783</u>	<u>9,593</u>	<u>4,320</u>	<u>213,666</u>

8. TRUSTEES' REMUNERATION AND BENEFITS**Trustees' remuneration**

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

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

9. STAFF COSTS

	2020 £	2019 £
Wages and salaries	-	371,559
Social security	-	26,885
Pensions	<u>-</u>	<u>40,652</u>
	<u>-</u>	<u>439,096</u>

The average monthly number of employees during the year was as follows:

	2020	2019
Management staff	-	1
Administrative staff	-	2
Teaching staff	<u>-</u>	<u>10</u>
	<u>-</u>	<u>13</u>

No employees received emoluments in excess of £60,000.

The pension scheme contributions are defined contributions payable by the charity to funds, the assets of which are held separately from those of the company. The amount owed to the pension scheme at the year end was £nil (2019: £nil).

Key management personnel

Key management personnel are considered to be those personnel who are not trustees but sit within key operational and strategic roles. The total costs relating to key management personnel were £nil (2019: £48,286).

KEYSTONE EDUCATION TRUST

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

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Continuing Operations Unrestricted funds £	Designated funds £	Discontinued operations Unrestricted funds £	Designated funds £	Total funds 2019 £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	-	36,251	395,903	-	432,154
Other trading activities	-	-	93,801	-	93,801
Investment income	106,168	54	-	-	106,222
Total	106,168	36,305	489,704	-	632,177
EXPENDITURE ON					
Raising funds	-	-	12,452	-	12,452
Charitable activities					
School	-	123,530	580,953	50,634	755,117
Total	-	123,530	593,405	50,634	767,569
NET INCOME/ EXPENDITURE	106,168	(87,225)	(103,701)	(50,634)	(135,392)
Transfer between funds	-	-	752	(752)	-
Net movement in funds	106,168	(87,225)	(102,949)	(51,386)	(135,392)
RECONCILIATION OF FUNDS					
Total funds brought forward	262,521	396,263	102,949	51,386	813,119
TOTAL FUNDS CARRIED FORWARD	368,689	309,038	-	-	677,727

KEYSTONE EDUCATION TRUST

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

11. GOVERNANCE COSTS

	2020 £	2019 £
Independent examiner's fee	<u>2,500</u>	<u>6,320</u>

12. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 January 2020 and 31 December 2020	<u>1,098,360</u>
DEPRECIATION	
At 1 January 2020	417,257
Charge for year	<u>118,132</u>
At 31 December 2020	<u>535,389</u>
NET BOOK VALUE	
At 31 December 2020	<u>562,971</u>
At 31 December 2019	<u>681,103</u>

13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 January 2020 and 31 December 2020	<u>3</u>
NET BOOK VALUE	
At 31 December 2020	<u>3</u>
At 31 December 2019	<u>3</u>

There were no investment assets outside the UK.

The balance represents the charity's holding in its trading subsidiary, Magna Trading Limited, whose registered office is Unit 2, Viaduct Road, Gwaelod-Y-Garth, Taffs Well, Cardiff, CF15 9JN.

KEYSTONE EDUCATION TRUST

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

13. FIXED ASSET INVESTMENTS

Subsidiaries

Magna Trading Limited (registered company number: 06311529)

Nature of business: Retailer of household goods

Class of shares:	% holding	2020	2019
Ordinary	100.00	£	£
Aggregate capital and reserves		39,218	42,424
Profit for the year		63,971	91,818
Turnover for the year		606,468	504,037
Expenditure for the year		<u>542,497</u>	<u>412,219</u>

The subsidiary's trading activities are carried out in order to generate income for the charity. Annual profits are donated in full to the charity each year, under a Deed of Covenant.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	-	59,170
Amounts due from subsidiary undertaking	105,382	122,980
Other debtors	3,416	3,416
Fund equalisation	251,745	239,272
Prepayments	-	1,916
	<u>360,543</u>	<u>426,754</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	-	7,277
Taxation and social security	-	8,552
Fund equalisation	251,745	239,272
Other creditors	<u>3,061</u>	<u>80,426</u>
	<u>254,806</u>	<u>335,527</u>

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

	2020	2019
	£	£
Loans	<u>200,000</u>	<u>200,000</u>

KEYSTONE EDUCATION TRUST

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

17. LOANS

An analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due between two and five years:		
Other loans	<u>200,000</u>	<u>200,000</u>

Loans due after one year are secured on the freehold property. The loan is subject to interest at 3.5% above the base rate per annum and there are no fixed repayment terms.

18. MOVEMENT IN FUNDS

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
Unrestricted fund	368,689	(6,203)	362,486
Designated funds			
Capital assets fund	309,038	(75,795)	233,243
TOTAL FUNDS	<u>677,727</u>	<u>(81,998)</u>	<u>595,729</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted fund	101,501	(107,704)	(6,203)
Designated funds			
Capital assets fund	49,788	(125,583)	(75,795)
TOTAL FUNDS	<u>151,289</u>	<u>(233,287)</u>	<u>(81,998)</u>

KEYSTONE EDUCATION TRUST

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

18. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	Transfers between funds £	At 31/12/19 £
Unrestricted funds				
Unrestricted fund	365,470	2,467	752	368,689
Designated funds				
Capital assets fund	446,897	(137,859)	-	309,038
Computer fund	<u>752</u>	<u>-</u>	<u>(752)</u>	<u>-</u>
	<u>447,649</u>	<u>(137,859)</u>	<u>(752)</u>	<u>309,038</u>
TOTAL FUNDS	<u>813,119</u>	<u>(135,392)</u>	<u>-</u>	<u>677,727</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted fund	595,872	(593,405)	2,467
Designated funds			
Capital assets fund	<u>36,305</u>	<u>(174,164)</u>	<u>(137,859)</u>
TOTAL FUNDS	<u>632,177</u>	<u>(767,569)</u>	<u>(135,392)</u>

KEYSTONE EDUCATION TRUST

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

18. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/19 £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds				
Unrestricted fund	365,470	(3,736)	752	362,486
Designated funds				
Capital assets fund	446,897	(213,654)	-	233,243
Computer fund	<u>752</u>	<u>-</u>	<u>(752)</u>	<u>-</u>
	<u>447,649</u>	<u>(213,654)</u>	<u>(752)</u>	<u>233,243</u>
TOTAL FUNDS	<u>813,119</u>	<u>(217,390)</u>	<u>-</u>	<u>595,729</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Unrestricted fund	697,373	(701,109)	(3,736)
Designated funds			
Capital assets fund	<u>86,093</u>	<u>(299,747)</u>	<u>(213,654)</u>
TOTAL FUNDS	<u>783,466</u>	<u>(1,000,856)</u>	<u>(217,390)</u>

The unrestricted funds above are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charitable company.

The designated funds above are held for the following purposes:

Capital assets fund

The capital assets fund relates to the charity's property asset.

Computer fund

The computer fund relates to a fund raising event to purchase new computers in the 2017 period. The assets were disposed of in the period and the residual balance on the fund has been transferred to the unrestricted fund.

19. RELATED PARTY DISCLOSURES

Transactions with subsidiary company

The charity's subsidiary company, Magna Trading Limited, donated its profit via a deed of covenant to the charity. The donation amounted to £93,338 (2019: 106,168) in the period. The charity also purchased transport services amounting to £nil (2019: £6,369) in the period from the subsidiary.

At the balance sheet date, Magna Trading Limited owed the charity £105,382 (2019: £122,980), which is repayable within one year.

Transactions with trustees and trustees' businesses

The charity received income with no conditions attached from trustees and business in which the trustees are involved amounting to £2,576 (2019: £3,602).

The charity purchased fixed assets costing £nil (2019: £39,605) from OEG Interiors, a business in which N Ker, trustee, holds an interest.

The charity purchased sports equipment costing £nil (2019: £944) from Evolve Corporate Ltd, a business in which R M Wells, a trustee, holds an interest.

The trustees have also provided joint personal guarantees in respect of the interest on the loan of £200,000, which is due after 1 year.

The Trustee, R M Nunn, holds title to the charity's property in trust for the charity.