

THE OPEN SCHOOL TRUST
COUNCIL MEMBERS' ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 30TH JUNE 2025
COMPANY REG. NO. 02438525
CHARITY NO. 328414

SATURDAY



AEI9KUWW

A19

27/12/2025

#181

COMPANIES HOUSE

THE OPEN SCHOOL TRUST

• FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

CONTENTS

Legal and Administrative Information	1
Council Members' Annual Report	2 - 4
Report of the Auditors	5 - 6
Statement of Financial Activities	7
Balance Sheet	8
Statement of Cash Flows	9
Notes forming part of the financial statements	10 - 17
The following pages do not form part of the statutory financial statements:	
Detailed Statement of Financial Activities	18
Detailed Balance Sheet	19

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

REGISTRATION NUMBER: 02438525 (Company limited by guarantee)

CHARITY NUMBER: 328414

COUNCIL MEMBERS:

Dr V. Pittard (Chairperson from April 2025)
Dr R. Dorrance (Chairperson - resigned April 2025)
Dr R. Morpeth
R.A. Marshall (resigned August 2025)
C.J. Woolliscroft
C.L. Rose
Professor M.J. Weller
T.L. Bennett-Hart (appointed June 2025)
J.D. Tweed (appointed June 2025)

CHIEF EXECUTIVE OFFICER: E Chesterman

REGISTERED OFFICE

Woolpack House
70 High Street
Sawston
Cambridge
CB22 3HJ

AUDITORS:

Prentis & Co LLP
Chartered Accountants & Statutory Auditors
115c Milton Road
Cambridge
CB4 1XE

BANKERS:

CAF (Charities Aid Foundation) Bank 25 Kings Hill Avenue Kings Hill West Malling, Kent ME19 4TA	National Westminster Bank Kings Parade Branch 10 Benet Street Cambridge CB2 3PU
---	---

Insignis
St Johns Innovation Centre
Cowley Road
Cambridge
CB4 0WS

SOLICITORS:

Stone King
3rd Floor
Bateman House
82-88 Hills Road
Cambridge
CB2 1LQ

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

COUNCIL MEMBERS' ANNUAL REPORT

The Council Members present their annual report and financial statements of the Trust for the year ended 30th June 2025. The financial statements have been prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

PURPOSES OF THE TRUST AS SET OUT IN THE GOVERNING DOCUMENT

The Trust's object is that of promoting education for the benefit of the public and to provide or assist in providing both adults and young people with sound general and specialised education and training. Our mission is "to widen learning opportunities for all by creating and promoting alternative modes of study for those who do not follow traditional educational routes".

MAIN ACTIVITIES UNDERTAKEN IN RELATION TO THOSE PURPOSES

The principal activities of the Trust during the year were the provision of education for adults and young people through distance learning courses and by publishing training and learning materials.

COUNCIL MEMBER'S REGARD TO THE CHARITY COMMISSION'S GUIDANCE ON PUBLIC BENEFIT

The Council Members confirm that they have complied with the duty of section 4 of the Charities Act 2011 relating to public benefit and have considered the Charity Commission's specific public benefit guidance on education, which forms the basis of the following review.

The Charities Act 2011 (Section 2 of Part 1) identifies "the advancement of education" as a public benefit and states that to advance education "means to promote, sustain and increase individual and collective knowledge and understanding of specific areas of study, skills and expertise".

There is clear commonality with this and the Trust's mission. The Trust's strategic objectives, which are kept under constant review, also support this mission. The Trust mainly works with individuals to achieve the advancement of education.

Additionally, the Trust is involved in a programme of improvement in delivery to ensure that education is brought to all people whatever their background in the most attractive and appropriate way. The Trust's work also involves keeping its courses and resources up to date in a wide range of curriculum areas.

ACHIEVEMENTS AND PERFORMANCE

The Trust remains committed to its mission of providing accessible, flexible, and inclusive education. We continue to offer a wide range of qualifications, from GCSEs and A levels to vocational qualifications, ensuring that learners have second-chance opportunities and the flexibility to study anytime, anywhere. Our support services are tailored to help students achieve their goals, regardless of their circumstances, and our partnerships with other organisations enable us to stay at the forefront of educational developments. We also campaign on issues that impact distance learners, advocating for better access and opportunities.

Financial performance: This year has been marked by strong progress in widening access to education and strengthening our reach. We saw a continued positive shift in financial performance as a result of targeted marketing strategies and course offers tailored to our learners' needs. A number of income streams have grown significantly, reflecting increased demand for flexible and high-quality learning.

Our partnerships with schools, colleges and local authorities have remained robust, underscoring NEC's trusted role within the sector.

Investment in services: We continued to develop sector-leading online self-study materials, ensuring they are fully accessible to all learners, including those with disabilities. Alongside this, we have invested in student support to ensure our provision remains inclusive, modern and impactful and meets the needs of SEND students.

We also launched a refreshed website towards the end of the year, an investment we expect will provide long-term benefits for learners and generate further growth.

Looking ahead, the Trust is dedicated to further enhancing our educational offerings and expanding our impact. We are pleased to have again strengthened our reserves, enabling us to reinvest in our technology and services to remain leaders in online learning.

FINANCIAL REVIEW

REVIEW OF THE FINANCIAL POSITION AT THE END OF THE YEAR

The Council Members are satisfied that the level of free reserves currently has a surplus of £970,215 (2024: £711,355) which they are aiming to increase to a target of £1 million. Income for the year amounted to £1,561,047 (2024: £1,266,353) and expenditure amounted to £1,271,483 (2024: £1,231,293).

FUNDRAISING

The Open School Trust does not openly fundraise or solicit donations from the public.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

COUNCIL MEMBERS' ANNUAL REPORT

CURRENT FINANCIAL POSITION

The Trust is pleased to report good financial performance in what continues to be a challenging external climate. Careful management and targeted investment have supported stability while positioning the organisation for sustainable growth. With income and reserves both strengthening, the Trust enters the new year with confidence.

RESERVES POLICY

This year, the Trust has continued to build its reserves in line with its policy target of £1 million.

The Trustees undertook a full review of the reserves policy, agreeing a new policy to set a target and range for free reserves which provides resilience against economic pressures while allowing for investment in services. This approach ensures that NEC remains well-placed to balance financial security with the ability to respond to new opportunities that benefit learners.

STRUCTURE, GOVERNANCE AND MANAGEMENT

NATURE OF THE GOVERNING DOCUMENT

The Open School Trust (registered charity 328414) was incorporated in November 1989 with an object to promote education for the benefit of the public. The Open School Trust was dormant from 2003 to 2011 and was revived to take the National Extension College (NEC) out of the administration of the Learning and Skills Network. The Open School Trust took over the assets and the liabilities of the NEC on 16th December 2011 and has been running the college as a going concern. The Open School Trust continues to use the trading name National Extension College (NEC). These financial statements cover the 12 months of trading to 30th June 2025.

The governing document is the Memorandum and Articles of Association filed at Companies House on 20th October 1989.

CONSTITUTION OF THE CHARITY

The constitution of the Charity is contained in items 1 to 7 of the Memorandum of Association and items 1 to 69 of the Articles of Association.

THE BOARD OF TRUSTEES (COUNCIL MEMBERS)

The Council Members of the Trust are also directors for the purposes of company law. The Council Members (referred to in the company's articles as the "Council of Management") consists of not less than three members. At present, the Council comprises of seven members from a variety of professional backgrounds relevant to the work of the Trust and meet at least three times a year.

Council Members are responsible for the management of the risks faced by the Trust. Risks are identified and assessed and controls established throughout the year. Significant new ventures are subject to a risk analysis by the Council Members before they are approved. Council Members make a distinction between those initiatives which are subject to normal commercial practices and those which are subject to Government policy. In both cases, The Open School Trust conforms to the legislative framework.

The Trust maintains a Register of Interests and both Council Members and senior executive managers are required to declare annually, and whenever they may arise, any interest which may be perceived as being likely to interfere with the exercise of independent judgement.

The Council is also underpinned by a senior management team, which support its decision making. The senior management team meet on a monthly basis. Experts and tutors are engaged when required to provide the support and development of services.

New Council Members are invited to familiarise themselves with the Trust and the context within which it operates. Briefing sessions jointly led by the Chief Executive Officer and the existing Council Members cover:

- The obligations of the management team.
- The main documents which set out the operational framework of the Trust.
- The current financial position including the latest published financial statements and the current management accounts.
- Future plans and objectives.
- The Charity Commission guide "The Essential Trustee"

KEY MANAGEMENT PERSONNEL REMUNERATION

The Council Members consider the Members of Council and the Chief Executive as comprising the key management personnel of the charitable company in charge of directing and controlling the charitable company and running and operating the charitable company on a day to day basis.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

COUNCIL MEMBERS' ANNUAL REPORT

STATEMENT OF MEMBERS OF COUNCIL RESPONSIBILITIES

All Council Members and the outgoing Chief Executive give their time freely and neither the Council Members nor outgoing Chief Executive received any remuneration in the year. Details of Council Member's expenses are disclosed in note 17 to the financial statements and related party transactions are disclosed in note 16 to the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

Internal controls over all forms of income, assets, commitment and expenditure continue to be refined to improve efficiency and effectiveness. Performance is monitored and appropriate management information is prepared and reviewed regularly by the management team and Trustees.

The Trust currently produces an annual budget and reports monthly against that budget, requiring managers to comment on variances and outline corrective action if required. The Council Members have delegated authority from the Council to ensure that an active risk management process is in place and form part of The Open School Trust's ongoing organisation activity.

The Members of Council are required by company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the surplus or deficit of the Trust for that year. In preparing those financial statements the Members of Council are required to:

- (a) Select suitable accounting policies and then apply them consistently;
- (b) Observe the methods and principles of the Charities SORP;
- (c) Make judgements and estimates that are reasonable and prudent;
- (d) State whether the policies adopted are in accordance with the Companies Act 2006 and with applicable accounting standards and Statements of Recommended Practice, subject to any material departures disclosed and explained in the financial statements;
- (e) Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Members of Council 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 Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations.

The Members of Council 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.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS


In the case of each of the persons who are Members of Council at the time when the Council Members' report is approved:

- (a) So far as each Member of Council is aware, there is no relevant audit information, being information needed by the Trust's auditor in connection with preparing their report, of which the Trust's auditor is unaware, and
- (b) Each Member of Council has taken all steps they ought to have taken as a Member of Council in order to make themselves aware of any relevant audit information and to establish that the Trust's auditor is aware of that information.

The Auditors, Prentis & Co LLP, will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

APPROVAL

This report was approved by the Members of Council and signed on its behalf, on 21st November 2025



CHAIR OF THE MEMBERS OF COUNCIL
V. PITTARD

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL MEMBERS OF THE OPEN SCHOOL TRUST

OPINION

We have audited the financial statements of Open School Trust for the year ended 30 June 2025 which comprise of the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30th June 2025, and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 the provisions available for small entities, in the circumstances set out in note 5 to the financial statements, 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 Council's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively may cast significant doubt on the Trust'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 Council with respect to going concern are described in the relevant sections this report.

OTHER INFORMATION

The other information comprises the information included in the Council Members' Annual Report, other than the financial statements and our auditor's report thereon. The Council Members are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Council Members Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Council Members Annual Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Council Member's Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 or Charities Act 2011 requires us to report to you if, in our opinion:

- the charitable company has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL MEMBERS OF THE OPEN SCHOOL TRUST

RESPONSIBILITIES OF COUNCIL MEMBERS

As explained more fully in the Council Members' responsibilities statement in the Council Members Annual Report, the Members of Council (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council Members 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 Council Members are responsible for assessing the charitable company'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 Council Members either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The Council Members have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly, we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The primary responsibility for the prevention and detection of irregularities including fraud rests with both the management and those charged with governance of the charitable company. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We have considered the nature of the industry and sector, control environment, laws and regulations of the charitable company, Charity Laws and regulations considered included, but were not limited to, the Companies Act 2006, the Charities Act 2011, Charity SORP and FRS102.

We have enquired with the management in regards to their own assessment of the risks of irregularities, including fraud. We also enquired of the management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

We obtained relevant documentation and representations in order to form an opinion on potential irregularities, including fraud.

We considered the opportunities and incentives that may exist within the organisation for fraud.


Based on this understanding, we designed specific audit procedures to identify instances of non-compliance with laws and regulations, including obtaining additional corroborative evidence as required. Examples of procedures included reviewing large and unusual transactions, reviewing large and unexpected variances, reviewing journal entries and reviewing relevant legal correspondence.

There are inherent limitations in the audit procedures described above, not least as sampling is used under International Auditing Standards, therefore not all transactions are reviewed. Therefore there is a risk we will not detect all irregularities including those leading to a material misstatement in the financial statements or non-compliance with regulations. The risk of not detecting a material misstatement due to fraud is also higher than the risk of not detecting one from error, as fraud may involve deliberate concealment by, for example, forgery collusion, omission or intentional misrepresentation.

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 auditor's report.

USE OF OUR REPORT

This report is made solely to the charity's Council Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's Council Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's Council Members as a body, for our audit work, for this report, or for the opinions we have formed.


IAN SHIPLEY FCCA (Senior Statutory Auditor)
FOR AND ON BEHALF OF
PRENTIS & CO LLP
CHARTERED ACCOUNTANTS
& STATUTORY AUDITORS
115c Milton Road
Cambridge
CB4 1XE

17th December 2025

Prentis & Co LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

STATEMENT OF FINANCIAL ACTIVITIES

	Notes	2025 Unrestricted Funds £	2025 Restricted Funds £	2025 Total Funds £	2024 Unrestricted Funds £	2024 Restricted Funds £	2024 Total Funds £
INCOME FROM:							
Charitable activities:							
Fees		1,508,877	-	1,508,877	1,203,682	-	1,203,682
Publications and licences		1,403	-	1,403	2,631	-	2,631
Project income	3	-	16,065	16,065	-	35,282	35,282
Other income		1,756	-	1,756	775	-	775
Investment income:							
Interest received		32,946	-	32,946	23,983	-	23,983
TOTAL INCOME		<u>1,544,982</u>	<u>16,065</u>	<u>1,561,047</u>	<u>1,231,071</u>	<u>35,282</u>	<u>1,266,353</u>
EXPENDITURE ON:							
Charitable activities:							
Fees	4	1,227,413	-	1,227,413	1,151,894	-	1,151,894
Publications and licences		17,840	-	17,840	16,710	-	16,710
Projects		-	-	-	-	35,022	35,022
Other costs		26,230	-	26,230	27,667	-	27,667
TOTAL EXPENDITURE		<u>1,271,483</u>	<u>-</u>	<u>1,271,483</u>	<u>1,196,271</u>	<u>35,022</u>	<u>1,231,293</u>
Net income and net movement in funds	5	273,499	16,065	289,564	34,800	260	35,060
RECONCILIATION OF FUNDS							
Total funds brought forward		794,115	260	794,375	759,315	-	759,315
Total funds carried forward		<u>1,067,614</u>	<u>16,325</u>	<u>1,083,939</u>	<u>794,115</u>	<u>260</u>	<u>794,375</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 10 to 17 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

BALANCE SHEET

	Notes	2025 £	2024 £
FIXED ASSETS			
Intangible assets	8	108,644	75,337
Tangible assets	9	3,755	7,423
TOTAL FIXED ASSETS		112,399	82,760
CURRENT ASSETS			
Stocks	10	6,520	5,191
Debtors	11	86,238	44,586
Cash at bank and in hand		1,118,891	859,354
TOTAL CURRENT ASSETS		1,211,649	909,131
LIABILITIES:			
Creditors: Amounts falling due within one year	12	(118,274)	(94,915)
NET CURRENT ASSETS		1,093,375	814,216
TOTAL ASSETS LESS CURRENT LIABILITIES		1,205,774	896,976
PROVISIONS FOR LIABILITIES	13	(121,835)	(102,601)
TOTAL NET ASSETS		1,083,939	794,375
THE FUNDS OF THE CHARITY:			
Unrestricted Funds	14	1,067,614	794,115
Restricted Funds	14	16,325	260
TOTAL FUNDS		1,083,939	794,375

The financial statements were approved by the Council of Trustees on 21st November 2025 and signed on its behalf by



CHAIR OF THE COUNCIL OF MEMBERS
V. PITTARD

The notes on pages 10 to 17 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

STATEMENT OF CASH FLOWS

	Notes	2025 Total Funds £	2024 Total Funds £
Cash flows from operating activities:			
<i>Net cash provided by/(used in) operating activities</i>	18	346,270	137,395
Cash flows from investing activities:			
Purchase of tangible fixed assets		(2,018)	(2,688)
Capitalisation of intangible assets		(84,715)	(41,656)
<i>Net cash provided by/(used in) investing activities</i>		(86,733)	(44,344)
<i>Change in cash and cash equivalents in the year</i>		259,537	93,051
Cash and cash equivalents brought forward		859,354	766,303
Cash and cash equivalents carried forward		1,118,891	859,354

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

(a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Open School Trust meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction values unless otherwise stated in the relevant accounting policy notes.

(b) INCOME RECOGNITION

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the money and the amounts can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Fee and Publications income:

Fee income represents the invoiced value of fees for distance learning courses and contracts net of Value Added Tax and discounts. Because of the nature and advantage of distance learning there is no set length of a course. Courses can be undertaken in a matter of weeks or over a year, courses can be purchased simply for the material to support the material of other educators, and students can cease their studies permanently because of a number outside factors. Because of the above there is no reliable measure of the length of a course and timing of the income stream. Therefore the trust considers it appropriate to recognise fee income where a course has been ordered.

Publication income represents the invoiced value of publications of learning material.

Project and Grant income:

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the trust has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Investment income:

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the trust; this is normally upon notification of the interest paid or payable by the bank.

(c) EXPENDITURE AND IRRECOVERABLE VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the following expenditure headings as follows:

Raising funds:

Costs of raising funds comprise the costs of seeking and applying for grants and costs associated with the seeking and arranging of licence fee agreements.

Charitable activities:

Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the trust and their associated support costs. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Governance costs include all expenditure not directly related to the charitable activity or fundraising ventures. This includes an appropriate proportion of costs of renting and running office premises, staff salaries for administration staff and audit fees.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

NOTES TO THE FINANCIAL STATEMENTS

(e) OPERATING LEASES

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the Statement of Financial Activities as incurred.

(f) TANGIBLE FIXED ASSETS

The charity has a policy of capitalising fixed assets with a cost in excess of £250. Depreciation is provided on all tangible fixed assets at rates calculated to write-off the costs less estimated residual value of each asset over its expected useful life as follows:

Equipment	- 3 and 4 years straight line
-----------	-------------------------------

(g) INTANGIBLE FIXED ASSETS

Goodwill:

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the separable net assets. The Council Members had previously estimated the economic life to be 20 years for which it was amortised to the Statement of Financial Activities from 1 July 2012.

Following a review undertaken by the Council Members, from 1 July 2015 it was agreed that the economic life was to be reduced and as such the remaining value of the goodwill will be amortised over the next 10 years.

Course development:

The Trust defers course development expenditure on new course products where the project meets the criteria set out for deferred costs in FRS 102.

Identifiable development expenditure is deferred on clearly defined projects where the outcome has been assured with reasonable certainty and is viable in light of current market conditions. Income is expected to exceed all development costs. The life of each course on completion and commencement of marketing is expected to be 3 years and each course is reviewed annually to ensure commercial prospects remain, otherwise the costs are written off in that year.

Website development

The Trust has capitalised the expenditure on developing their website which meets the criteria set out for development costs in FRS 102. It was agreed to amortise over the next 4 years.

(h) STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Cost of course materials and publications includes materials, printing and other direct costs at cost price.

(i) DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

(j) CREDITORS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(k) PROVISIONS FOR LIABILITIES

A provision for deferred income relating to the tutor element of each course is included under liabilities.

Each course sold comprises of study materials and tutor support. The length of time taken to complete the course depends on the student's objectives and often the course is purchased for the study materials alone. Tutor support is given for a period of 24 months from the start of the course and that part of the course fees is estimated and deferred over that period.

2. LEGAL STATUS OF THE CHARITY

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

NOTES TO THE FINANCIAL STATEMENTS

3.	INCOME FROM PROJECTS	2025	2025	2025	2024	2024	2024
		Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
		Funds	Funds	Funds	Funds	Funds	Funds
		£	£	£	£	£	£
	PET Digital	-	-	-	-	34,282	34,282
	Bursary Fund	-	16,065	16,065	-	1,000	1,000
		<u>-</u>	<u>16,065</u>	<u>16,065</u>	<u>-</u>	<u>35,282</u>	<u>35,282</u>

4.	EXPENDITURE ON: CHARITABLE ACTIVITIES FOR THE YEAR ENDED 30TH JUNE 2025	Activities Undertaken Directly £	Other Direct Costs £	Support Costs £	2025 Total £
	Fees	792,765	4,341	430,307	1,227,413
	Publications & licences	17,453	-	387	17,840
	Governance costs	-	-	26,230	26,230
		<u>810,218</u>	<u>4,341</u>	<u>456,924</u>	<u>1,271,483</u>

ANALYSIS OF SUPPORT COSTS
FOR THE YEAR ENDED 30TH JUNE 2025

	Fees £	Publications & Licences £	Governance £	2025 Total £
Postage and carriage	937	1	-	938
Staff costs	150,777	136	-	150,913
Office expenses	119	-	-	119
Computer and hardware expenses	49,740	45	-	49,785
Telephone	5,108	5	-	5,113
Depreciation and amortisation	57,043	51	-	57,094
Professional fees	15,607	14	-	15,621
Accountancy	138	-	-	138
Other costs	673	-	-	673
Recruitment costs	78	-	-	78
Bank and credit card charges	22,995	21	-	23,016
Premises expenses	43,307	39	-	43,346
Advertising and marketing	83,785	75	-	83,860
	<u>430,307</u>	<u>387</u>	<u>-</u>	<u>430,694</u>

ANALYSIS OF GOVERNANCE COSTS

Legal and professional	-	-	11,488	11,488
Auditors remuneration	-	-	7,668	7,668
Trustees expenses	-	-	1,074	1,074
Apportionment of premises costs	-	-	6,000	6,000
	<u>430,307</u>	<u>387</u>	<u>26,230</u>	<u>456,924</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

NOTES TO THE FINANCIAL STATEMENTS

4a. EXPENDITURE ON:
CHARITABLE ACTIVITIES
FOR THE YEAR ENDED 30TH JUNE 2024

	Activities Undertaken Directly £	Other Direct Costs £	Support Costs £	2024 Total £
Fees	723,356	4,360	424,178	1,151,894
Publications & licences	15,827	-	883	16,710
Projects	-	21,432	13,590	35,022
Governance costs	-	-	27,667	27,667
	<u>739,183</u>	<u>25,792</u>	<u>466,318</u>	<u>1,231,293</u>

ANALYSIS OF SUPPORT COSTS
FOR THE YEAR ENDED 30TH JUNE 2024

	Fees £	Publications & Licences £	Governance £	Projects £	2024 Total £
Postage and carriage	783	2	-	-	785
Staff costs	136,567	285	-	13,590	150,442
Office expenses	515	1	-	-	516
Computer and hardware expenses	55,888	116	-	-	56,004
Telephone	4,596	10	-	-	4,606
Depreciation and amortisation	54,155	113	-	-	54,268
Professional fees	29,525	61	-	-	29,586
Accountancy	126	-	-	-	126
Other costs	409	1	-	-	410
Bank and credit card charges	14,412	30	-	-	14,442
Premises expenses	42,502	88	-	-	42,590
Advertising and marketing	84,700	176	-	-	84,876
	<u>424,178</u>	<u>883</u>	<u>-</u>	<u>13,590</u>	<u>438,651</u>

ANALYSIS OF GOVERNANCE COSTS

Legal and professional	-	-	11,213	-	11,213
Auditors remuneration	-	-	8,094	-	8,094
Trustees expenses	-	-	2,360	-	2,360
Apportionment of premises costs	-	-	6,000	-	6,000
	<u>424,178</u>	<u>883</u>	<u>27,667</u>	<u>13,590</u>	<u>466,318</u>

5. NET EXPENDITURE/INCOME FOR THE YEAR

The net expenditure this year is stated after charging:

	2025 £	2024 £
Auditors remuneration - Audit	7,668	8,094
- Other services (consultancy)	138	126
Depreciation of tangible fixed assets	5,686	8,014
Amortisation of intangible fixed assets	51,408	46,254

MANAGEMENT THREAT IN RELATION TO NON-AUDIT SERVICES

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.

6. ANALYSIS OF STAFF COSTS AND REMUNERATION OF
KEY MANAGEMENT PERSONNEL

	2025 £	2024 £
Salaries and wages	672,732	625,886
Social security costs	54,094	49,918
Pension contributions	36,057	33,945
Benefits	3,471	3,489
	<u>766,354</u>	<u>713,238</u>

The average weekly number of staff employed by the charity during the year were:

	2025	2024
Charitable activities	25	24
Management and Administration	2	2
	<u>27</u>	<u>26</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

NOTES TO THE FINANCIAL STATEMENTS

6. ANALYSIS OF STAFF COSTS AND REMUNERATION OF KEY MANAGEMENT PERSONNEL continued

The number of employees whose emoluments (salaries, pension contributions and other benefits) exceeded £60,000 was 2 (2024: 2) as below:

	2025	2024
£60,000 - £70,000	1	1
£70,000 - £80,000	1	1
	<u>2</u>	<u>2</u>

The Trust considers its key management personnel comprise the Council Members and the Chief Executive Officer, all of which received £78,006 (2024 - £75,679).

7. TAXATION

As a charity, Open School Trust is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the year.

8. INTANGIBLE FIXED ASSETS

FOR THE YEAR ENDED 30TH JUNE 2025

COST OR VALUATION

	Goodwill £	Course Development £	Website Development £	Total £
Balance at 1st July 2024	301,166	781,473	-	1,082,639
Additions	-	39,577	45,138	84,715
Balance at 30th June 2025	<u>301,166</u>	<u>821,050</u>	<u>45,138</u>	<u>1,167,354</u>
AMORTISATION				
Balance at 1st July 2024	275,562	731,740	-	1,007,302
Charge for the year	25,604	24,864	940	51,408
Balance at 30th June 2025	<u>301,166</u>	<u>756,604</u>	<u>940</u>	<u>1,058,710</u>
NET BOOK VALUE as at 30th June 2025	<u>-</u>	<u>64,446</u>	<u>44,198</u>	<u>108,644</u>

8a. INTANGIBLE FIXED ASSETS

FOR THE YEAR ENDED 30TH JUNE 2024

COST OR VALUATION

	Goodwill £	Course Development £	Total £
Balance at 1st July 2023	301,166	739,817	1,040,983
Additions	-	41,656	41,656
Balance at 30th June 2024	<u>301,166</u>	<u>781,473</u>	<u>1,082,639</u>
AMORTISATION			
Balance at 1st July 2023	249,966	711,082	961,048
Charge for the year	25,596	20,658	46,254
Balance at 30th June 2024	<u>275,562</u>	<u>731,740</u>	<u>1,007,302</u>
NET BOOK VALUE as at 30th June 2024	<u>25,604</u>	<u>49,733</u>	<u>75,337</u>

9. TANGIBLE FIXED ASSETS

YEAR ENDED 30TH JUNE 2025

COST OR VALUATION

	Equipment £
Balance at 1st July 2024	315,873
Additions	2,018
Disposals	(71,661)
Balance at 30th June 2025	<u>246,230</u>
DEPRECIATION	
Balance at 1st July 2024	308,450
Charge for the year	5,686
Eliminated on disposal	(71,661)
Balance at 30th June 2025	<u>242,475</u>
NET BOOK VALUE as at 30th June 2025	<u>3,755</u>

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

NOTES TO THE FINANCIAL STATEMENTS

9a.	TANGIBLE FIXED ASSETS		
	YEAR ENDED 30TH JUNE 2024		Equipment
	COST OR VALUATION		£
	Balance at 1st July 2023		317,434
	Additions		2,688
	Disposals		(4,249)
	Balance at 30th June 2024		315,873
	DEPRECIATION		
	Balance at 1st July 2023		304,685
	Charge for the year		8,014
	Eliminated on disposal		(4,249)
	Balance at 30th June 2024		308,450
	NET BOOK VALUE as at 30th June 2024		7,423
10.	STOCKS	2025	2024
		£	£
	Finished goods and goods for resale	6,520	5,191
11.	DEBTORS	2025	2024
		£	£
	Trade debtors	65,465	22,958
	Prepayments and accrued income	20,773	21,628
		86,238	44,586
12.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2025	2024
		£	£
	Trade creditors	28,692	27,792
	Other creditors	22,405	20,705
	Accruals and deferred income	67,177	46,418
		118,274	94,915
13.	PROVISIONS FOR LIABILITIES	2025	2024
		£	£
	Balance brought forward	102,601	94,153
	Movement in provision	19,234	8,448
	Balance carried forward	121,835	102,601

The provision relates to deferred course fee income. As the Trust accepts students on a regular basis, it is expected that the provision will be in line with student numbers. The provision is calculated on the income received from course sales, discounted to remove all non-tutor cost elements that are considered expended on the purchase of the course, and deferred over the expected life of a course up to a 24 month period from commencement of the course.

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

NOTES TO THE FINANCIAL STATEMENTS

14.	ANALYSIS OF CHARITABLE FUNDS YEAR ENDED 30TH JUNE 2025	Brought Forward £	Income £	Expenditure £	Carried Forward £
	UNRESTRICTED FUNDS				
	General funds	794,115	1,544,982	(1,271,483)	1,067,614
	RESTRICTED FUNDS				
	Bursary Fund	260	16,065	-	16,325
	TOTAL FUNDS	794,375	1,561,047	(1,271,483)	1,083,939
14a.	ANALYSIS OF CHARITABLE FUNDS YEAR ENDED 30TH JUNE 2024	Brought Forward £	Income £	Expenditure £	Carried Forward £
	UNRESTRICTED FUNDS				
	General funds	759,315	1,231,071	(1,196,271)	794,115
	RESTRICTED FUNDS				
	PET Digital	-	34,282	(34,282)	-
	Bursary Fund	-	1,000	(740)	260
	TOTAL FUNDS	759,315	1,266,353	(1,231,293)	794,375

Restricted fund purpose:

Bursary Fund - 60th anniversary bursary to cover course and exam fees for the successful applicant, funded by the trustee, R Morpeth, and Art History in Schools bursary for schools to access Classical Civilisation.

15.	ANALYSIS OF NET ASSETS BETWEEN FUNDS - YEAR ENDED 30TH JUNE 2025	2025 Unrestricted Funds £	2025 Restricted Funds £	2025 Total Funds £
	Intangible fixed assets	108,644	-	108,644
	Tangible fixed assets	3,755	-	3,755
	Current assets	1,195,324	16,325	1,211,649
	Creditors due within one year	(118,274)	-	(118,274)
	Provision for liabilities	(121,835)	-	(121,835)
		1,067,614	16,325	1,083,939
15a.	ANALYSIS OF NET ASSETS BETWEEN FUNDS YEAR ENDED 30TH JUNE 2024	2024 Unrestricted Funds £	2024 Restricted Funds £	2024 Total Funds £
	Intangible fixed assets	75,337	-	75,337
	Tangible fixed assets	7,423	-	7,423
	Current assets	908,871	260	909,131
	Creditors due within one year	(94,915)	-	(94,915)
	Provision for liabilities	(102,601)	-	(102,601)
		794,115	260	794,375

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2025

NOTES TO THE FINANCIAL STATEMENTS

16. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year.

17. TRUSTEES EXPENSES

During the year, 2 trustees had travel expenses reimbursed totalling £448. In the prior year, 1 trustee also had their travel expenses reimbursed of £72.

18. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025 £	2024 £
Net movement in funds	289,564	35,060
Add: Depreciation	5,686	8,014
Add: Amortisation	51,408	46,254
(Increase)/decrease in stocks	(1,329)	1,388
(Increase)/decrease in debtors	(41,652)	11,905
Increase in creditors	42,593	34,774
	<u>346,270</u>	<u>137,395</u>

19. PENSIONS

The company operates a stakeholder defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by an independent pensions provider. Pension payments recognised as an expense during the year amount to £36,057 (2024: £33,945).

20. OTHER COMMITMENTS

On 30th June 2025, the charity had total commitments under non cancellable operating leases as follows:-

	Land & Buildings	
	2025 £	2024 £
In less than one year	30,000	30,000
Between one and five years	120,000	120,000
In more than five years	30,000	60,000
	<u>180,000</u>	<u>210,000</u>

The Open School Trust entered into a 10 year lease with a 5 year break clause in 2021. The total commitment until the break clause is £30,000 (2024: £60,000).