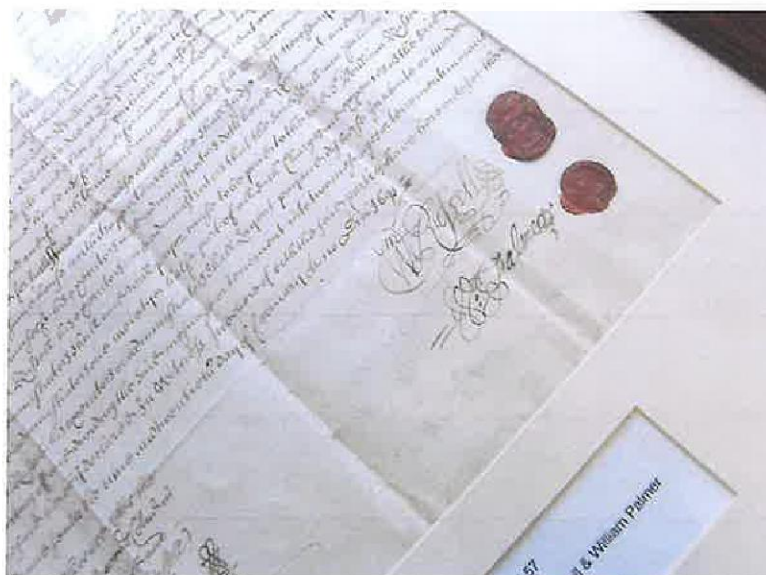




William Palmer College Educational Trust

Report and Financial Statements

Year ended: 31st July 2023



Charity No: 310860

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Reference and Administrative Information

Trustees as at 31st July 2023

Appointing Body

Governors of the College	None at 31 st July 2023
Thurrock Council	Cllr James Halden
Vicar and Churchwardens	Canon Darren Barlow (resigned December 2023)
Senate of the University of London	Brian Little

Co-opted by the other Trustees

Maureen Challis, Nickie Hillebrandt, Glenn Phillips (resigned February 2023), Tony Jupitus (passed away October 2022), Fola Afelumo, Canon Eileen French, Graeme Loveland (removed February 2024), Cliff Carter (appointed November 2023), Ritchie Taylor (appointed November 2023), Denise Wakeling (appointed March 2024).

Ex-officio Trustees

The Chairman of the Corporation, Gordon Haines was replaced by Andrew Williams on 15th November 2022.

Foundation Governors

The Instrument of Government of the Corporation of USP College no longer provides for the Trustees to nominate Foundation Governors to the Governing Body of the merged College for the purpose of securing that the established character of Palmer's College (namely its character immediately before it began to be conducted by the first Corporation) is preserved and, in particular, that the institution is conducted in accordance with the provisions of any trust relating to it. At present, therefore, there are no Foundation Governors as Trustees.

Other Administrative Information

Chair of the Trustees	Brian Little
Vioc Chairman of the Trustees	Canon Darren Barlow (resigned December 2023)
Principal	John Revill (resigned July 2022) / Clare White (appointed January 2024)
Vice Principal	Clare White (appointed July 2022 until January 2024)
Clerk & Secretary to the Trustees	Graeme Loveland (removed February 2024) Denise Wakeling (appointed November 2023)
Charity Number	310860
Principal Office	USP College, Chadwell Road, Grays, Essex RM17 5TD
Auditors	Rowland Hall 44/54 Orsett Road, Grays, Essex RM17 5ED

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Reference and Administrative Information (Continued)

Bankers	Barclays Bank PLC 9 High Street, Grays, Essex RM17 6NL
Legal Advisor	Carey Jacobs Palmers Solicitors, 19 Town Square, Basildon, Essex SS14 1BD
Investment Managers	CCLA Investment Management Limited One Angel Lane, London, EC4R 3AB

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Report of the Trustees for the Year Ended 31st July 2023

The Trustees present their report along with the financial statements of the Charity for the year ended 31st July 2023. The financial statements have been prepared in accordance with the accounting policies set out on pages 8-10 and comply with the Charity's Trust Deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Financial Reporting Standard applicable in the UK and Republic of Ireland.

Objectives, Aims and Activities

William Palmer established the Foundation in 1706 'to establish a school, provide a schoolmaster and teach ten poor children of the Parish to read and write and cast accounts and instruct them in the Latin tongue'. The current objects of the Trust are to provide prizes and special benefits, while promoting the education of the relevant beneficiaries.

The Trust Deed defines the aims as:

- Providing not more than one-tenth of the net yearly income in providing prizes and special benefits of any kind not normally provided by the funding authority.
- Applying the residue of the income in promoting the education of persons under the age of 25 years, who are in need of financial assistance and either are resident in the area of the Parishes of Grays Thurrock, North Grays or Stifford or are attending or have for not less than two consecutive academic years at any time attended the school of the Charity.

These strategic aims shape the objectives for the year, which are quite modest and involve ensuring the Trust continues to support the students at Palmer's College Campus by subsidising trips and visits, providing grants where necessary, prizes to encourage achievement and assistance to students going to university or further training.

The Trust will also continue to help those pupils at local schools who qualify for assistance. The needs of the pupils evolve over time and the Clerk will seek additional ways in which the pupils can be assisted by the Trust.

A lease became effective upon the merger of Palmer's College with Seevic College as 'Seevic and Palmer's Colleges Group' on 1st August 2017. Clive Tant and Carey Jacobs of Palmers Solicitors oversaw the negotiation of a suitable lease and advised the Trustees on its various aspects, with Bates Wells Braithwaite acting for the merged Corporation. That Corporation was renamed 'Unified Seevic and Palmer's College' (USP College) during the 2018-19 academic year.

To enable the lease to be offered, the Trustees drafted changes to the Trust Scheme under advice from Chris Mowat of Palmers Solicitors. These changes were lodged with and agreed by the Charities Commission prior to the merger date of 31st July 2017. The most significant change was the expansion of the area covered by the Trust to the modern parishes of Grays Thurrock, North Grays and Stifford, as well as the merger of the College with that of Seevic at Benfleet.

Structure, Governance and Management

The Trust is an unincorporated trust, constituted under a Trust Deed dated 23rd January 1980 and is a registered charity, number 310860. The Trust does not actively fundraise, but seeks to continue the tradition of providing students of the College and young people of the modern Parishes of Grays Thurrock, Grays North and Stifford with the best all-round education that can be arranged for them through careful stewardship of its existing resources.

At their first ordinary meeting in each year, the Trustees elect one of their number to be Chairman for the current year and appoint a Vice Chairman. At this and subsequent meetings, the Trustees agree the broad strategy and areas of activity for the Trust, including the consideration of grant applications together with investment, reserves and risk management policies and performance. The day-to-day administration of the Trust is delegated to the Clerk and Secretary to the Trustees.

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Report of the Trustees for the year ended 31st July 2023 (Continued)

Structure, Governance and Management (Continued)

Trustees are appointed for four years by their Nominating Body and Co-optative Trustees serve for five years. Brian Little was re-elected Chairman of the Trust on 27th February 2023 and Darren Barlow was reappointed as Vice Chairman.

Trustees keep under review the reappointment of Nominative Trustees who may be, but need not be, members of the College Corporation. Co-optative Trustees are sought, who, through residence, occupation, employment or otherwise, have special knowledge of the area of the parishes covered by the Trust.

As part of the induction process, any newly appointed Trustees are given an induction pack which includes a copy of the Scheme, Minutes of the last meeting, copies of the Register of Interests form, Declaration of Eligibility form, proforma of Declaration to be signed at the first meeting, Trust Brochure and a copy of the Annual Accounts. Prior to their first Trust Meeting as a Trustee, new Trustees will usually undertake a tour of the College and attend an information meeting provided by the Clerk and Secretary to the Trustees, on the history of the Trust, the structure, governance and management, the beneficiaries, the assets and investments, on grant making procedures and past, present and future projects. All Trustees are asked to submit to DBS checks.

The Trust is active in forwarding information to all Trustees regarding seminars on Trustees' responsibilities and on their duty of care, as and when they become available.

Grant Making Policy

When grant applications for trips, visits and support are received from the College and schools, they are reviewed by the Clerk and if properly prepared and meet the Trust's criteria, are considered at the next Trustees' meeting. Details of how to apply for grants are available from the Trust Office, the Trust Website and the Trust Brochure.

Grants Received

The Trust does not actively seek grants from other bodies or from individuals. However, some organisations with links to the College and some individuals, who either attended or had relatives or friends who attended the Endowed Schools or the College, provide prizes for the current students. The Hew Watt Family Charitable Trust is particularly generous to the Trust. It provides prizes and, in the past, has provided considerable capital sums for buildings, such as the Hew & Molly Watt Dance Studio. Through the help of a current Trustee, there have been two recent new prizes set up by former students, who recognise the work of the Trust. This colleague and the donors are thanked for their generosity and help in setting up these new prizes.

Risk Management

The Trustees have identified the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage them. The areas where the main risks can be identified are:

- Non-compliance with the Trust scheme, relevant legislation and Trust's working standard practice.
- Inadequate building maintenance and insurance
- Bad investment decisions
- Acceptance of fraudulent grant claims
- Possibility of legal action against the Trustees

Although the Trust does not have an Internal Audit Committee, all College applications are made in arrears and are, at random, examined by a Trustee independent of the Clerk and College before consideration by the Trustees.

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Report of the Trustees for the Year Ended 31st July 2023 (Continued)

Financial Review

The Trust received income of £249,160 on its investments during the 2022/2023 year (2021/22 £242,389). There was additional income in the form of donations totaling £100.

Under clause 29/2, the total amount paid to USP College to actively support students in their ability to maintain their education and for participation in trips and visits was £48,169, previous year £60,146. There was a decrease in the grants used to help pupils at our local schools - £71,550 instead of the £119,307 in the year to July 2022. The expenditure on prizes for Palmer's students, under Clause 29(1), was £10,125 compared to last year's £13,350.

Apart from its Quoted Investments and Cash Deposits, the main asset of the Trust is the Land and Buildings known as Palmer's College, Grays which is occupied by USP College under a 125-year lease (commenced 31st July 2017) without rent. The College Corporation meets all the expenditure relating to the operation and maintenance of the buildings from government funding. This arrangement satisfies the Aims and Objectives of the Trust, has been in existence for many years and is now evidenced in the lease agreed with the merged college.

Investment Policy and Performance

The Trustees continue to follow a moderate risk-averse investment approach and they accept the recommendation from CCLA Investment Management Limited that the bulk of the Trust's long-term capital should remain invested in an equity-based fund such as the Charities Official Investment Fund (COIF). This is expected to optimise the opportunities for capital growth and offer protection from the erosive effects of inflation.

The majority of the Trust's capital is invested in Income Units with smaller amounts invested in Global Equity Units and Property Units. All Recoupment payments are invested in Global Equity Units. It was agreed that the Investment Policy of the Trust, which is reviewed annually, will include items relating to the Allocation of Assets and the position regarding the Ethical Investment Fund.

Achievement and Performance including Public Benefit

During the year the Trust funded 50% or 25% (subject to a cap of £250 per student) of the cost of events for students to participate in visits as part of their Drama, Geography, Biology, PE, Sport & Leisure, Health & Social Care and Business Studies Courses. Day visits to conferences, drama productions, galleries and concerts were part-funded by the Trust as were the hockey, netball, football and rugby umpire/referee fees necessary for sporting events. The Trust continued to pay half of the cost of coaches and minibuses to sporting fixtures and competitions throughout the year. Bursaries were given to students who showed prowess in their chosen fields.

The number of support grants made to students has increased considerably over recent years; this level of support has continued in the current year at the discretion of the College and the Trustees. As part of this support the Trust funds a College based student Wellness and Mental Health Awareness programme which has been recognised as a best practice initiative by external assessors. Scholarships given to students in need and Higher Education interview expenses were also made available.

The Trust awarded prizes for excellence at A-level or equivalent. Prizes for achievement at A level and BTEC and the Legal Secretaries Course as well as prizes for distinction at BTEC First Diploma Award. The Trust continues to provide grants towards trips and visits for pupils in need of financial assistance who live in the relevant parishes of Thurrock and attend local schools.

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Report of the Trustees for the Year Ended 31st July 2023 (Continued)

Achievement and Performance including Public Benefit (Continued)

The Trustees have had due regard to the original Guidance on the Public Benefit requirement as issued by the Charity Commission and continue to note the amended Guidance. The Trustees appreciate the fact their help to the College, also benefits the wider community. Examples of this are the Astro turf pitch and natural grass pitches, which are used by the local hockey club, rugby club and various football clubs; also the Theatre which may be used by outside groups for performances to local school children and the public in general. The Sports and Fitness Suite and the Tennis Courts, as well as the gym, are used at a very reasonable cost by the public and school children during the year and even more extensively during the summer holidays. The Trustees will consider whether there should be any review of the Trust Policies following the revised Guidance on the Public Benefit from the Charity Commission.

Reserves Policy

The Trustees continue to maintain £30,000 as working capital and make sufficient grants to dispense the annual income of the Trust after paying expenses, to prevent the accumulation of excessive Reserves in the form of Accumulated Income.

Plans for the Future

There is little change to recruitment of students to the College. It is understood the College continues to find it challenging to attract new students each September, although a demographic dip in births in the early 2000s has now been seen to level out over the last few academic years. The current year (i.e. 2022/23) saw no observable increase to an expected 1,150 (approximate) students. The student cohort is drawn from a wide geographical and achievement background, largely due to most local secondary schools having set up their own sixth forms over the last decade.

The Trust's intention being to provide more funds to advance education in the Borough, recent years has seen determined work to make more schools in the enlarged Trust area aware of the Trust's aims and objectives. This work had borne fruit in the significant increase in applications and approved grants to a larger range of schools and colleges in the Borough. At all times, the Trustees will continue to help and support the beneficiaries in any appropriate manner.

Trustees' Responsibilities in Relation to the Financial Statements

Charity law 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 its financial results for the 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 applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and which enable them to ensure that the financial statements comply with relevant laws and regulations. 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.

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Report of the Trustees for the Year Ended 31st July 2023 (Continued)


Special Note

Mr Graeme Loveland, the Clerk and Secretary to the William Palmer Trust, was responsible for overseeing and facilitating transactions held within the Trust. Mr Loveland unexpectedly ceased communication with the Trustees in February 2023. The realisation later Mr Loveland had been charged with multiple business theft offences, in relation to a separate legal entity, Trustees were considerably concerned with the possibility of The Trust being at risk.

In August 2023, The Trustees requested the assistance of Rickard Luckin, a well respected Accountancy practice based across Essex to undertake a forensic accounting review of transactions in and out of the Trust over an agreed period to assess the possibility of fraudulent activity.

During this audit, there was no evidence of potential fraud or misappropriation of funds.

Approved by the Trustees on 30th May 2024 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Brian Little', with a stylized, looping initial 'B'.

Brian Little
Chairman of the Trustees

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Statement of Financial Activities for the Year Ended 31st July 2023

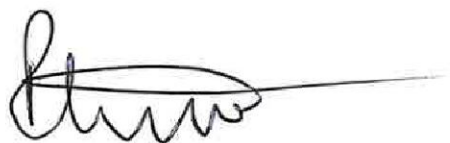
Notes	Unrestricted Income Fund	Restricted Capital Fund	Permanent Endowment (Property)	Total Funds	2022
	£	£	£	£	£
Incoming Resources					
From General Investment Fund	249,160			249,160	242,386
Donations Received	100			100	3,600
Interest receivable	18			18	3
Total Incoming Resources	249,278	0	0	249,278	245,989
Resources Expended					
Charitable Activities: Grants Approved	97,584			97,584	234,804
Expenditure on Additional Facilities					0
Maintenance - Buildings	1,104			1,104	959
Cost of Grant Making	98,688	0	0	98,688	235,763
Governance costs	9,574		271,384	280,958	287,687
Total Resources Expended	108,262	0	271,384	379,646	523,450
Net Incoming/(Outgoing) Resources - Before Other Recognised Gains and Losses	141,016	0	-271,384	-130,368	-277,461
Net Gains/(losses) on Investments		-154,048		-154,048	-98,296
Net (Outgoing)/Incoming Resources - Before Transfers	141,016	-154,048	-271,384	-284,416	-375,757
Transfer of Income Capitalised					
Net Movement in Funds	141,016	-154,048	-271,384	-284,416	-375,757
Reconciliation of Funds					
Total Funds at 1st August 2022	71,556	8,653,714	9,402,113	18,127,383	18,503,140
Total Funds at 31st July 2023	212,572	8,499,666	9,130,729	17,842,967	18,127,383

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Balance Sheet as at 31st July 2023

Notes	2023		2022	
	£	£	£	£
FIXED ASSETS				
Freehold Property	9,130,730		9,402,113	
Investments	<u>8,499,667</u>		<u>8,653,714</u>	
		17,630,397		18,055,827
CURRENT ASSETS				
Cash on deposit:				
COIF Account	213,712		97,552	
Barclays Account	<u>1,558</u>		<u>9,264</u>	
	<u>215,270</u>		<u>106,816</u>	
CURRENT LIABILITIES				
Grants Payable	0		32,260	
Other creditors	<u>2,700</u>		<u>3,000</u>	
	<u>2,700</u>		<u>35,260</u>	
NET CURRENT ASSETS		212,570		71,556
NET ASSETS		<u><u>17,842,967</u></u>		<u><u>18,127,383</u></u>
FUNDS				
Restricted Capital Fund	8,499,666		8,653,714	
Permanent Endowment	9,130,729		9,402,113	
Unrestricted Income Fund	212,572		71,556	
		<u><u>17,842,967</u></u>		<u><u>18,127,383</u></u>

Approved by the Trustees on 30th May 2024 and signed on their behalf by:



Brian Little
Chairman of the Trustees

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Notes to the Accounts Year Ended 31st July 2023

1. Accounting Policies

a) Basis of Preparation and Assessment of Going Concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these financial statements. 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) issued on 16th July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Trust constitutes a public benefit entity as defined by FRS 102.

The Trustees consider there are no material uncertainties about the Trust's ability to continue as a going concern. There are no significant areas of adjustment and key assumptions that affect items in the financial statements. With respect to the next reporting period 2023-24, the most significant areas of uncertainty that affect the carrying value of assets held by the Trust are the level of investment return and the performance of investment markets.

b) Income Recognition

All income is recognised once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be measured reliably.

Donations are recognised when The Trust has been notified in writing of both the amount and settlement date. In the event a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met or the fulfilment of those conditions is wholly within the control of the Charity and it is probable those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case-by-case basis following the granting of probate, when the Administrator / Executor for the Estate has communicated in writing both the amount and settlement date. In the event the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Notes to the Accounts Year Ended 31st July 2023 (continued)

c) Expenditure Recognition

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 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 applicable expenditure headings.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant this is accrued once the recipient has been notified of the grant award. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient, but there is uncertainty as to the timing of the grant or the amount of grant payable.

d) Irrecoverable VAT

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

e) Governance 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 related to statutory audit and legal fees together with an apportionment of overhead and support costs.

f) Freehold Land, Buildings and Equipment

The main asset of the Trust is the Land and Buildings known as Palmer's College at Grays. The building is occupied by the College free of rent. The College meets all the expenditure relating to the operation and maintenance of the buildings. This arrangement satisfies the Aims and Objectives of The Trust and has been in existence for many years. Until 31st July 2017 no formal agreement or lease existed to establish a precedent for this arrangement or the period over which this arrangement will exist.

On 31st July 2017 The Trust entered into a lease with Seevic College (now renamed Unified Seevic & Palmer's College or USP College) for a period of 125 years

A formal valuation was carried out by NPS Property Consultants (Chartered Surveyors) in July 2015 when they valued the freehold land and buildings at £13,268,000. The Trustees are not aware of any circumstances likely to materially impair that valuation. Under the transitional provisions of FRS 102 this valuation is to be adopted as notional cost to future accounting periods.

Depreciation is provided to write off the costs of assets by equal annual instalments over their estimated useful lives as follows:

Land	Not depreciated
Freehold buildings	Specific per building up to 50 years
Mechanical & Electrical Elements	Specific per building up to 24 years

The revaluation that took place adopted International Financial Reporting Standard 16 and split the valuation between Land, Buildings and Mechanical and Electrical Elements. The useful lives attributed to these elements, by the Valuer, were considerably shorter than the 50 year write-off policy previously adopted.

Although the Financial Statements have not been prepared under International Financial Reporting Standards the Trustees think it is appropriate to depreciate the Freehold Property using the useful lives estimated by the Valuer. This has resulted in the depreciation charge as disclosed in note 3.

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Notes to the Accounts Year Ended 31st July 2023 (continued)

g) Investments

Investments are a form of basic financial statement and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

h) Realised Gains and Losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

i) Cash Flow Statement

The Charity qualifies as a small entity and advantage has been taken of the exemption provided by SORP (FRS 102) as amended by Bulletin 1 not to prepare a cash flow statement.

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Notes to the Accounts Year Ended 31st July 2023 (continued)

2. Grants Approved

Normally, the College and Schools have already paid Grants according to the criteria prescribed by the Trustees. As soon as the Trustees have approved an application, cheques are issued to the Colleges or Schools, as appropriate. If a Grant has not been paid by the end of the financial year, the amount approved is shown under the heading of Current Liabilities.

The split of grant payments, allocated by each clause of the scheme were as follows:

	2023	2022
	£	£
Under Clause 29(1) of the scheme:		
College	10,125	13,350
Under Clause 29(2) of the scheme:		
College Students	48,169	60,146
School Pupils	71,550	119,308
Other individuals		0
Grant to College	-32,260	42,000
	<u>97,584</u>	<u>234,804</u>

3. Expenditure on Additional Facilities

There was no additional facilities expenditure in the year.

4. Governance Costs

	2023	2022
	£	£
Clerk and Secretarial Service Fee	6,600	13,200
Other office Expenses	35	35
Audit fees	2,598	2,760
Fees paid to Auditors for non-audit services		
Valuation of assets		
Insurances	341	308
Legal expenses		
	<u>9,574</u>	<u>16,303</u>
Depreciation	271,384	271,384
	<u>280,958</u>	<u>287,687</u>

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Notes to the Accounts Year Ended 31st July 2023 (continued)

Governance Costs (continued)

Remuneration of £6,600 (2022: (£13,200)) was paid to one Trustee who received a fee in respect of secretarial services and services as the Trustees' Clerk.

Our Legal Adviser identified four conditions that were needed to be complied with to satisfy the requirements of the Charities Act 2006 which were:

- There is a written agreement.
- The amount to be paid is defined or a maximum payment identified.
- The payment is reasonable.
- It is in the best interest of the Charity.

He is of the opinion the conditions are complied with by the current arrangements.

5. Transfers of Income Capitalised

There were no repayments of capital during the year. See note 6 d) below.

6. Land and Buildings

	Total £
Valuation as at 1st July 2015	13,268,000
Depreciation accrued to 31st July 2022	-3,865,886
Net book value as at 31st July 2022	<u>9,402,114</u>
Depreciation for the year to 31st July 2023	-271,384
Net book value as at 31st July 2023	<u>9,130,730</u>

- From 31st July 2017, Clause 22 of our Scheme now provides that the Trustees shall permit the Land, with the buildings thereon, to be used for the purposes of a General Further Education College Corporation as defined within the Apprenticeships Skills Children and Learning Act 2009.
- The College is required under the terms of the lease granted in 2017 to adequately insure the buildings and premises.
- When major expenditure on the Trust's property is incurred out of the capital of the Trust the Charity Commissioners, in giving approval to an Order, insist that the capital is replaced over a maximum period of 40 years.
- To comply with this requirement, in 2005, the Charity Commissioners agreed that the Trustees could sell £250,000 of the Restricted Capital Fund to enable a Dance Studio to be built for the College. In this case, the Capital will be replaced over a period of 40 years by purchasing investments in Global Equity Income Shares of £6,250 each year, for the Restricted Fund. There were no payments made during the year. There are 10 instalments left to be made.
- The Trustees report there is a contingent liability in respect of a grant to the College to make possible the construction of a five-classroom block. The liability will only arise if the College ceases to occupy the current site. The amount of the grant was £144,147 on 24th October 2001 and the contingent liability reduces proportionately over the following forty years, adjusted for inflation.

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Notes to the Accounts Year Ended 31st July 2023 (continued)

7. Investments

All the investments are with the Charities Official Investment Fund (COIF) which is managed by CCLA Investment Management Limited.

	Market Value 01/08/2022 £	Transfers In to 31/07/2023 £	Gains/(Losses) to 31/07/2023 £	Market Value 31/07/2023 £
Income Units	6,749,453		-122,618	6,626,835
Global Equity Units	1,614,676		22,102	1,636,778
Property Units	289,585		-53,532	236,054
	<u>8,653,714</u>	<u>0</u>	<u>-154,048</u>	<u>8,499,667</u>

8. Funds

	Restricted Capital £	Permanent Endowment £	Unrestricted Fund £	Total £
Balance 1st August 2021	8,739,510	9,673,497	90,133	18,503,140
Net movement in Funds: Year ended 31st July 2022	-85,796	-271,384	-18,577	-375,757
Balance at 31st July 2022	<u>8,653,714</u>	<u>9,402,113</u>	<u>71,556</u>	<u>18,127,383</u>
Net movement in Funds: Year ended 31st July 2023	-154,048	-271,384	141,016	-284,416
	<u>8,499,666</u>	<u>9,130,729</u>	<u>212,572</u>	<u>17,842,967</u>

- a) The permanent endowment relates to the freehold land and buildings, known as Palmer's College Grays, which was revalued during 2015.
- b) The permanent endowment is charged with annual depreciation in relation to the building structures and the mechanical and electrical components of those structures.

9. Pension Commitments

The Trustees have considered whether there is a liability to pension costs under FRS 17. As the Trust does not have any employees, there is no commitment with regard to future pension costs.

10. Related Parties

There were no transactions with related parties beyond those disclosed in note 4.

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF THE WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Opinion

We have audited the financial statements of The William Palmer College Educational Trust (the 'Charity') for the year ended 31st July 2023 which comprise the statement of financial activities, the balance sheet 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).

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 we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31st July 2023, 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 Auditor's 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report 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.

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

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 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 in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on Page 5, the Trustees are responsible for the preparation of 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 mis-statement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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.

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material mis-statement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee an audit conducted in accordance with ISAs (UK) will always detect a material mis-statement when it exists. Mis-statements 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of trustees concerning potential fraud activity.
- Reviewing minutes of meetings of trustees and those charged with governance.
- Reviewing external reports commissioned by the Trustees for purposes of reviewing fraud risk.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness.

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

Because of the inherent limitations of an audit, there is a risk we will not detect all irregularities, including those leading to a material mis statement in the financial statements or non-compliance with regulation. This risk increases the more compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or 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.

Signed by:

Dean Flood



on behalf of

**ROWLAND HALL
Chartered Certified Accountant and Registered Auditors
44/54 Orsett Road
Grays
Essex
RM17 5ED**

30th May 2024