

**PHYLLIS WALLBANK EDUCATIONAL TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023**

Draft Financial Statements at 25 May 2023 at 12:19:10
PHYLLIS WALLBANK EDUCATIONAL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr M Wallbank Dr E Curran Br D R Robidoux Mr B N Wallbank Mr I L Duncan
Charity number	312730
Principal address	158 Agar Grove London NW1 9TY
Independent examiner	CBW Audit Limited 66 Prescott Street London E1 8NN

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TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2023

The trustees present their annual report and financial statements for the year ended 5 April 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The objects of the Charity are to promote the way of education used by Phyllis Wallbank in her school and learning centre and to follow and research her education philosophy.

The aims of the Trust are as follows:

1. To acquire the Gatehouse School and make sure it is conducted in perpetuity as detailed in the "Wallbank Plan."
2. To organise and maintain a library of works dealing with the education of children.
3. Awarding prizes and grants for meritorious inventions and for research.
4. The furtherance of educational research of all kinds.
5. To establish a scholarship to be called the 'Phyllis Wallbank Scholarship' to be awarded to any former pupil of the Gatehouse School attending University in the U.K. or Republic of Ireland.

Risk management

The major risk to which the Trust is exposed is a catastrophic decline in the value of the Trust's property investments and a resulting significant drop in the level of income available for the repayment of debt and furtherance of the objectives of the Trust. In order to mitigate this risk, the Trustees and the Trust's bankers have sought professional advice as to the value of assets held by the Trust relative to borrowings. After the year end, the Trust repaid the bank loan in full, which mitigates the risk of third party debt and ability to repay this in the future.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2023

Achievements and performance

Charitable activities

The principal activity of the Trust is to enable the objectives of the Trust as set out in the Trust Deed.

Since 1964 the Trust has enabled thousands of children to benefit from an education along the lines of the "Wallbank Plan" at the Gatehouse School. Annually a limited number of children benefit from this education at reduced or no fees as a result of the Trust's existence. Under the terms of its lease from the Phyllis Wallbank Educational Trust, The Gatehouse School must offer full scholarships or reduced fees to ten percent of its pupils.

The Trust has now established the Phyllis Wallbank Scholarship making grants available to any ex-pupil of The Gatehouse School who attends university in the UK or Republic of Ireland. This Scholarship, having been fully subscribed, the Trustees have decided to increase the funding available to twenty four thousand pounds per annum. Details can be found on the Trust's website.

In the past years the Trust has acquired and refurbished a building in London and has started to collate a library of papers and books relating to education. This is available to any member of the public for research or reference and will be expanded over the years. The majority of the content of the library will come from Phyllis Wallbank's own collections of writings and library and will eventually be transferred there.

The Trust also has the ability to make grants, subject to available funds, for educational research, which it has done in the past.

The Trust offers a scholarship to a graduate, post graduate or accredited researcher from any country who wishes to come to London to study the educational methods and philosophy of Phyllis Wallbank.

The scholarship offers:

- Return flight to London.
- Free accommodation at the Trust's London "Library" building.
- Access to books and papers.
- Help applying for a U.K. student visa if necessary.

In return the Trust requires the scholar to present a copy of his or her paper or thesis to the Trust so that it may be studied by others.

The Trust operates a website where all of the above is publicised at <http://www.pwetrust.org>

Financial review

The charity continues to be in a net assets position with the balance of £3,905,870 (2022: £3,869,259). The charity has achieved a surplus in the current year of £36,611 (2022: £80,369).

Reserves policy

The Charity holds General unrestricted funds and Revaluation reserves. The principal reason for the Charity holding reserves is to meet mortgage repayments on the Gatehouse School property.

Unrestricted funds:

General unrestricted funds	£2,239,826
Revaluation reserve	<u>£1,666,044</u>
	£3,905,870

Plans for future periods

Plan for the future

Future plans are to continue to manage the assets of the Trust in order to achieve the objectives as set out in the Trust Deed.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2023

Structure, governance and management

Governing document

Phyllis Wallbank Educational Trust is a charitable trust and is controlled by its governing document, a deed of trust dated 22nd October 1964 and constitutes an unincorporated charity.

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

Mr M Wallbank
Dr E Curran
Br D R Robidoux
Mr B N Wallbank
Mr I L Duncan

The trust deed provides for a minimum of 3 and maximum of 8 trustees. Were there a requirement for new trustees, these would be identified and appointed by the remaining trustees.

The chair of trustees is responsible for the induction of any new trustees. Trustees are fully briefed when appointed and if further training is required this will be arranged as necessary.

Reference and administrative details

Registered Charity number

312730

Principal address

158 Agar Grove
London
NW1 9TY

Independent examiner

Robin Davis
CBW Audit Limited
66 Prescott Street
London
E1 8NN

Organisational structure

The affairs of the Trust are managed and administered jointly and severally by the Trustees.

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

.....
Mr M Wallbank

Trustee

Date:

INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF PHYLLIS WALLBANK EDUCATIONAL TRUST

I report to the trustees on my examination of the financial statements of Phyllis Wallbank Educational Trust (the charity) for the year ended 5 April 2023.

Responsibilities and basis of report

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

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

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2020.

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

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

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

CBW Audit Limited

66 Prescot Street
London
E1 8NN

Dated:

Draft Financial Statements at 25 May 2023 at 12:19:10
PHYLLIS WALLBANK EDUCATIONAL TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 5 APRIL 2023**

		Unrestricted funds 2023 £	Unrestricted funds 2022 £
	Notes		
<u>Income from:</u>			
Investments income	3	119,593	122,055
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	4	82,982	41,686
		<hr/>	<hr/>
Net income for the year/ Net movement in funds		36,611	80,369
Fund balances at 6 April 2022		3,869,259	3,788,890
		<hr/>	<hr/>
Fund balances at 5 April 2023		3,905,870	3,869,259
		<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

Draft Financial Statements at 25 May 2023 at 12:19:10
PHYLLIS WALLBANK EDUCATIONAL TRUST

BALANCE SHEET

AS AT 5 APRIL 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	8		702,632		700,000
Investment properties	9		3,150,000		3,150,000
			<u>3,852,632</u>		<u>3,850,000</u>
Current assets					
Debtors	10	3,200		-	
Cash at bank and in hand		89,392		182,493	
		<u>92,592</u>		<u>182,493</u>	
Creditors: amounts falling due within one year	12	<u>(39,354)</u>		<u>(60,695)</u>	
Net current assets			<u>53,238</u>		<u>121,798</u>
Total assets less current liabilities			<u>3,905,870</u>		<u>3,971,798</u>
Creditors: amounts falling due after more than one year	13		-		(102,539)
Net assets			<u><u>3,905,870</u></u>		<u><u>3,869,259</u></u>
Income funds					
<u>Unrestricted funds - general</u>					
General unrestricted funds		2,239,866		2,203,255	
Revaluation reserve		<u>1,666,004</u>		<u>1,666,004</u>	
			<u>3,905,870</u>		<u>3,869,259</u>
			<u><u>3,905,870</u></u>		<u><u>3,869,259</u></u>

The financial statements were approved by the Trustees on

.....
 Mr M Wallbank
Trustee

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

Charity information

Phyllis Wallbank Educational Trust is a an unincorporated charity. The business address of the charity is 158 Agar Grove, London NW1 9TY.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The main assets held by the charity are property, and the income is rent earned from this. The fair value of the properties is reflected in the accounts as confirmed by the Trustees, and any fluctuations in valuation are carefully monitored for the impact on the charity. At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

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

1.4 Income

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

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Rental income is accounted for the period in which the Charity is entitled to receipt. Any additional rental income received is deferred and included in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

(Continued)

1.5 Expenditure

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.

1.6 Tangible fixed assets

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

Land and buildings are held on a revaluation basis, with valuations being carried out with sufficient regularity, as determined as required by the trustees.

Land and buildings	nil
Computers equipment	3 year straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially measured at cost and subsequently measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in net income/(expenditure) for the year.

1.8 Impairment of fixed assets

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

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.10 Financial instruments

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

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

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

Basic financial assets

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2023

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Taxation

The charity is exempt from tax on its charitable activities.

1.13 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2023

2 Critical accounting estimates and judgements

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

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

The areas of the accounts where significant judgement has been applied are in the carrying value of investment properties and fixed assets. Investment properties are carried at valuation at the year end date on an open market basis. Within tangible fixed assets, land and buildings are held at revaluation, which is conducted at least every 5 years as appropriate, and computer equipment is depreciated over a useful economic life of 3 years.

3 Investments income

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Rental income	119,593	122,055

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PHYLLIS WALLBANK EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2023

4 Charitable activities

	Youth scholarship £	Other expenditure £	Total 2023 £	Total 2022 £
Scholarships	16,149	-	16,149	20,000
Rates, light and heat and water	-	2,164	2,164	2,896
Telephone	-	416	416	720
Travel and subsistence	-	9,474	9,474	-
Repair & maintenance	-	40,360	40,360	3,540
Reallocation of support costs	-	(52,414)	(52,414)	(7,156)
	<u>16,149</u>	<u>-</u>	<u>16,149</u>	<u>20,000</u>
Share of support costs (see note 5)	61,044	-	61,044	16,466
Share of governance costs (see note 5)	5,789	-	5,789	5,220
	<u>82,982</u>	<u>-</u>	<u>82,982</u>	<u>41,686</u>
Analysis by fund				
Unrestricted funds - general	<u>82,982</u>	<u>-</u>	<u>82,982</u>	
	<u>82,982</u>	<u>-</u>	<u>82,982</u>	
For the year ended 5 April 2022				
Unrestricted funds - general	<u>41,686</u>	<u>-</u>		<u>41,686</u>
	<u>41,686</u>	<u>-</u>		<u>41,686</u>

5 Support costs

	Support costs £	Governance costs £	2023 £	2022 £
Depreciation	900	-	900	-
Rates, light and heat and water	2,580	-	2,580	2,896
Telephone	416	-	416	720
Travel and subsistence	9,474	-	9,474	-
Sundry expense	5,245	-	5,245	5,772
Bank charges and interest	1,589	-	1,589	2,866
Repair & maintenance	40,360	-	40,360	3,540
Storage expenses	480	-	480	672
Independent examiner fees	-	5,436	5,436	5,220
Professional fees	-	353	353	-
	<u>61,044</u>	<u>5,789</u>	<u>66,833</u>	<u>21,686</u>
Analysed between				
Charitable activities	<u>61,044</u>	<u>5,789</u>	<u>66,833</u>	<u>21,686</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2023

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year, apart from one of the trustees having access to the property in London, which he stays in for less than 90 days in the year rent free. Accruals amounting to £32,700 represent amounts owed to trustees.

7 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Total	-	-
	<u> </u>	<u> </u>

There were no employees whose annual remuneration was more than £60,000.

8 Tangible fixed assets

	Land and buildings	Computers equipment	Total
	£	£	£
Cost or valuation			
At 6 April 2022	700,000	900	700,900
Additions	-	3,948	3,948
	<u> </u>	<u> </u>	<u> </u>
At 5 April 2023	700,000	4,848	704,848
	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment			
At 6 April 2022	-	900	900
Depreciation charged in the year	-	1,316	1,316
	<u> </u>	<u> </u>	<u> </u>
At 5 April 2023	-	2,216	2,216
	<u> </u>	<u> </u>	<u> </u>
Carrying amount			
At 5 April 2023	700,000	2,632	702,632
	<u> </u>	<u> </u>	<u> </u>
At 5 April 2022	700,000	-	700,000
	<u> </u>	<u> </u>	<u> </u>

The land and buildings were valued by Mr M Wallbank, a trustee, at their open market value at the year end.

At 5 April 2023, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £0 (2022 - £341,998).

The revaluation surplus included in the valuation of the land and buildings is £358,002 (2022 - £358,002).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2023

9 Investment property

	2023	£
Fair value		
At 6 April 2022 and 5 April 2023	3,150,000	<u><u> </u></u>

Investment property comprises one freehold and one long leasehold property, both in the UK. Mr M Wallbank, a trustee, valued these at their open market value with reference to market information.

The carrying value of land included in investment properties comprises:

	2023	2022
	£	£
Freehold	650,000	650,000
Long leasehold	2,500,000	2,500,000
	<u>3,150,000</u>	<u>3,150,000</u>

10 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Prepayments and accrued income	3,200	-
	<u> </u>	<u> </u>

11 Loans and overdrafts

	2023	2022
	£	£
Bank loans	-	132,561
	<u> </u>	<u> </u>
Payable within one year	-	30,022
Payable after one year	-	102,539
	<u> </u>	<u> </u>

The loan was secured by a fixed and floating charge over 158 Agar Road and Gatehouse Learning Centre. This was fully repaid during the year ended 5 April 2023.

12 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans	11	-	30,022
Other creditors		434	434
Accruals and deferred income		38,920	30,239
		<u>39,354</u>	<u>60,695</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 5 APRIL 2023

13 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans	11	-	102,539