

**OKEHAMPTON EDUCATIONAL FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

OKEHAMPTON EDUCATIONAL FOUNDATION

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

Administrative information

Name of Charity Okehampton Educational Foundation

Registration number: 306677

Key Management Personnel:

Treasurer Mr C J Owen FCCA

Clerk Mrs K Percival CIS (Affiliated)

Registered address 15 Upper Crooked Meadow
Okehampton EX20 1WW

Board of Trustees:

Mr R Campbell	co-opted
Mrs J Carpenter	ex-officio – appointed 30 th May 2018
Mr D Chapman	co-opted
Rev S Cook	ex-officio
Mrs M Cooper	nominated
Mr W Cornish	co-opted
Mr A Ewen	co-opted
Mr A Fisher	nominated
Mrs J Gibbons	co-opted
Mrs J Goffey	ex-officio
Dr M Ireland	nominated - Chairperson
Mrs C Marsh	co-opted
Mr P Vachon	ex-officio – retired 25 th April 2018
Mr D Webber	nominated

Independent examiner: JL Coombs MA (Cantab) FCA
Simpkins Edwards LLP
Chartered Accountants
Michael House
Castle Street
Exeter EX4 3LQ

Bankers: Lloyds Bank Plc
Fore Street
Okehampton EX20 1HJ

**TRUSTEES' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Structure, Governance and Management**Governing Instrument**

The Governing instrument is the Scheme dated 27th August 1975 and the charity is an unincorporated association managed by the Trustees of the Okehampton United Charity (Registration Number 202686).

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements 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 on 16 July 2014.

Board of Trustees:

3 ex-officio Trustees: Mayor of Okehampton, immediate past Mayor of Okehampton and Team Rector of Northmoor Churches, Okehampton

2 nominated Trustees by Okehampton Town Council

2 nominated Trustees by Okehampton Hamlets Parish Council

6 co-opted Trustees appointed by the Board of Trustees as each vacancy occurs

Trustees other than ex-officio, are appointed for a period of four years. On appointment Trustees are provided with a Trustee Manual which includes a brief history of the charity, copy of minutes, a copy of the last set of accounts, a copy of the Scheme, details of the charity's land holdings and copies of policies and procedures. Trustees are also provided with a copy of the Charity Commission guidance 'The Essential Trustee'. Trustees are also offered the opportunity to attend suitable training. A Code of Conduct is signed by all Trustees.

All trustees give of their time freely and no remuneration was paid to any Trustee in the year. Details of related party transactions are disclosed in a note to the accounts. Trustees are required to disclose all relevant interests and register them with the Clerk and, in accordance with the charity's policy, withdraw from decisions where a conflict of interest arises.

Administration

During the year, the charity was administered by the Treasurer and Clerk of Okehampton United Charity and the charity makes a payment for a share of these services. Regular meetings of the full Board of Trustees are held each month. The trustees have also established a sub-committee to advise the full Board on issues relating to grant administration and governance. The charity's decisions are only made at the full Board of Trustees meetings.

Risk management

The charity has in place procedures to minimise any risks to the charity. A review of these risks was undertaken in 2018.

Objects and Activities

The first purpose of the charity is to apply not more than a one third part of the net yearly income (or such part as the Commissioners approve from time to time) in providing special benefits of any kind not normally provided by the Local Educational Authority, for Okehampton College (formerly Okehampton Comprehensive School) or, if the said income is not required for that school, for such County or Voluntary Primary Schools in the area of benefit as may be agreed from time to time between the trustees and the Governors of Okehampton College after consultation with the said authority.

**TRUSTEES' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

The remainder of the yearly income is applied in one or more of the following ways:-

- Scholarships and bursaries for beneficiaries at university or further education college.
- Bursaries, including travel allowances, for beneficiaries on leaving school to prepare for or enter a profession, trade or calling.
- Providing facilities of any kind not normally provided by the LEA for recreation and social and physical training for young persons who are receiving primary education in the area of benefit.
- Providing financial assistance to enable beneficiaries to study music or other arts.
- In otherwise promoting the education of beneficiaries.

Beneficiaries are young people who have not attained the age of 25 years and who, or whose parents, reside within the area of benefit (the Parishes of Okehampton and Okehampton Hamlets).

The trustees confirm that they have referred to the guidance contained in the Charity Commissions general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. These objectives are met by following the schemes rules for the application of income. This is generally achieved by responding to applications for specific grant allocation from Okehampton College and Okehampton Primary School and for scholarships and bursaries applications from individual young people. The charity uses an application form for other organisations to ensure that if the organisations are not charities, the charitable purpose is clear.

Individuals (or their parents) and organisations applying to the charity, are required to confirm their residency or state the proportion of the organisation's beneficiaries that reside in or are educated within the area of benefit. If organisations operate outside the area of benefit, grants are restricted pro rata.

Achievements and Performance 2018

During the year the charity distributed scholarships and bursaries totalling **£87,900** to **138** young persons for their educational support. Bursaries were made to young people attending post 16 courses not available at Okehampton College. Bursaries 'plus' and scholarships were made to persons under 26 to undertake apprenticeships and further education studying courses.

Allocations of income for future specific projects were set aside for Okehampton College; **£49,624** and for Okehampton Primary School; **£18,609**.

Full details of grants made are shown in note 5 to the financial statements.

The Trustees are satisfied that all grants made in the year satisfy one or several of the charitable purposes set out in Charities Act 2011 subject to the limitations imposed by the charity's Scheme. The Trustees are also satisfied that the grants provide benefits to residents of the Parishes of Okehampton and Okehampton Hamlets.

**TRUSTEES' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Financial Review

Total income during the year was **£158,681** (2017: £150,891) including the grant from Okehampton United Charity **£157,979** (2017: £150,427).

Expenditure on charitable activities including administration was **£174,061** (2017: £148,596).

Governance costs were **£900** (2017: £1,735).

Net expenditure for the year was **-£16,280** (2017: net income £542).

During the year the trustees agreed to re-allocate a grant of £28,000 made in 2016, to be taken from the balance previously set-aside for Okehampton College.

At 31 December 2018 the Income fund balance was **£36,493** (2017: £24,773).

Reserves policy

The charity has an Income fund reserve for the purposes of;

- i) Providing a contingency fund to cover for unforeseen changes in the number of 16 -25 year old young people eligible for scholarships and bursaries each year.
- ii) Providing a reserve to cover for grant award commitments made for future years.

The trustees consider that it is prudent to maintain an Income fund cash reserve equivalent to; 10% of the scholarships & bursaries included in the budget each year £8,000, plus a sum equivalent to one years grant awards to organisations £22,000. The total income fund reserve is set at £30,000.

Plans for the future

The trustees recognise that the educational institutions structure in Okehampton is changing and that in the future the needs of St James Primary School will be taken into account when deciding upon allocations of income to educational institutions.

The trustees will continue to actively promote the objectives of the charity to individual students.

The Grants sub-committee of trustees meets regularly to consider the utilisation of the income.

**TRUSTEES' ANNUAL REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees report was approved by the trustees and signed on their behalf by:

Trustee: M Ireland

Date: 27 March 2019

Trustee: D Webber

Date: 27 March 2019

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2018**

I report on the accounts of the Charity Trustees on my examination of the accounts for the charity for the year ended 31 December 2018 which are set out on pages 7 to 13.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

J L COOMBS MA (Cantab) FCA

Date: 27 March 2019

Simpkins Edwards LLP
Chartered Accountants
Michael House
Castle Street
Exeter
EX4 3LQ

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2018**

		Unrestricted Income funds	
		Year ended 31.12.18	Year ended 31.12.17
<u>Incoming Resources</u>	Notes	£	£
Distribution from Okehampton United Charity	4	157,979	150,427
Bank interest		702	464
		-----	-----
Total Income		158,681	150,891
		-----	-----
<u>Resources expended</u>			
Charitable activities;			
Scholarships & bursaries to individual students	5	87,900	81,150
Income allocation to Okehampton College	5 & 9	49,624	47,036
Income allocation to Okehampton Primary School	5 & 9	18,609	17,639
Grants to organisations	5	9,898	(5,259)
Other charitable support expenses;			
Share of Treasurer & Clerk costs		8,000	8,000
Sundry expenses		30	30
Governance costs;			
Audit and accountancy	6	900	1,753
		-----	-----
Total expenditure		174,961	150,349
		-----	-----
Net income/(expenditure)		(16,280)	542
Adjustment from Okehampton College b/f allocation	5	28,000	28,000
Total funds brought forward		24,773	(3,769)
		-----	-----
Total funds carried forward	11	36,493	24,773
		-----	-----

**BALANCE SHEET
AS AT 31 DECEMBER 2018**

	Notes	£	2018	£	£	2017	£
Current assets							
Debtors	8		29,677			39,694	
Bank and cash in hand:							
Current account		55,839			1,000		
Lloyds Bank business instant access		-			86,546		
Lloyds Bank 32 day Notice account		100,776			100,124		
				156,615		187,670	
				186,292		227,364	
Creditors: Amounts due within one year	9		(149,799)			(183,925)	
Net current assets			36,493			43,439	
Creditors: Amount due after one year	9		-			(18,666)	
Net assets			36,493			24,773	
Represented by:							
Unrestricted funds:							
Income fund reserve	11		30,000			30,000	
Income fund	11		6,493			(5,227)	
Net assets			36,493			24,773	

Approved by the Board of Trustees on 27 March 2019 and signed on their behalf by

M Ireland
Trustee

D Webber
Trustee

The accompanying accounting policies and notes on pages 9 - 13 form an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

1. Basis of preparation

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address at the principal office is 15 Upper Crooked Meadow, Okehampton EX20 1WW

Basis of accounting

The financial statements have been prepared on the basis of the historic cost convention with items recognised at cost or transaction value unless otherwise stated, in accordance with:

- Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102), and Update Bulletin 1 (including the exemption to prepare a cash flow statement);
- And with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- And with the Charities Act 2011;
- And with Accounting Standards (UK Generally Accepted Practice) as applied from 1 January 2015.

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 charity constitutes a public benefit entity as defined by FRS 102.

Going Concern

There are no material uncertainties regarding the Foundations ability to continue operations. The Foundation will continue to receive 3/7ths of Okehampton United Charity's net income in 2019, a figure estimated at around £159,000

2. Accounting policies**(a) Fund accounting**

The charity's funds consist of a general unrestricted fund, which the charity may use for its own purposes at its discretion within the scheme rules.

(b) Recognition and Application of income

Income from Okehampton United Charity is recognised as the annual allocation of that charity's net income as specified in its charitable objects.

Bank interest is recognised when received.

The trustees shall apply not more than one third part of the net yearly income of the charity or such other part as the Commissioners approve from time to time in providing special benefits of any kind not normally provided by the local education authority for the Okehampton College or, if the said income is not required for that school, for such County or Voluntary Primary Schools in the area of benefit as may be agreed from time to time between the trustees and the Governors of Okehampton College after consultation with the said authority. The remainder of the yearly income is applied in one or more of the following ways:-

- Scholarships and bursaries for beneficiaries at university or further education college.
- Bursaries, including travel allowances, for beneficiaries on leaving school to prepare for or enter a profession, trade or calling.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

- Providing facilities of any kind not normally provided by the LEA for recreation and social and physical training for young persons who are receiving primary, secondary or further education in the area of benefit.
- Providing financial assistance to enable beneficiaries to study music or other arts.
- In otherwise promoting the education of beneficiaries.

Beneficiaries are young people who have not attained the age of 25 years and who, or whose parents, reside within the area of benefit (the Parishes of Okehampton and Okehampton Hamlets).

(c) Assets and liabilities

These are included in the balance sheet at the following amounts:

- Current assets at the lower of cost and net realisable value
- Liabilities at their settlement value

(d) Charitable activities

All administration costs of the charity are included in other charitable support costs.

(e) Governance costs

Governance costs include the costs of the preparation and examination of statutory accounts.

(f) Grants payable

Grants awarded are recognised in the financial statements when a commitment has been made, and there are no conditions to be met relating to the grant which remain in the control of the charity. Grants with performance conditions are only recognised in the financial statements once the recipient of the grant has provided the specified service or output.

(g) VAT

The charity is not registered for Value Added Tax (VAT). In these financial statements, where applicable, expenditure is shown inclusive of VAT.

(h) Basic Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognized at transaction value and subsequently measured at their settlement value.

3. 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 recognized in the period in which the estimate is revised where the revision affects only that period, or the period of the revision and future periods where the revision affects both current and future periods

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. Distribution from Okehampton United Charity

	2018	2017
	£	£
Distributed under the terms of the Okehampton United Charity's Trust Deed	157,979	150,427
	<hr/>	<hr/>

5. Grants and income allocation

Scholarships & Bursaries

The number of awards made to individual young persons during the year was 138 (2017:126). These awards had an aggregate value of £87,900 (2017: £81,150).

Educational Institutions (Okehampton College & Okehampton Primary School)

The number of allocations made to educational institutions during the year was 2 (2017: 2). These had an aggregate value of £68,233 (2017: £64,675). During the year the trustees agreed to re-allocate an 'other organisation' grant of £28,000 made to Okehampton College in 2016 and for the grant to be taken from the balance previously set-aside for Okehampton College. Subsequently the specific grant was withdrawn as no longer required. During the year specific grant awards were made to Okehampton College of £10,000 for IT curriculum enhancement, £7,500 for sports team transport, £34,800 for the refurbishment of the Sports Hall and £15,000 for replacement of the all-weather pitch lighting.

At 31 December 2018 grant allocations balances of £98,751 for Okehampton College and £50,148 for Okehampton Primary School, were being held pending awards for specific projects.

Other organisations

Grants with a total of £9,898 (2017: (£5,259)) were made to two other organisation during the year:

		Outstanding 31 December 2018
	£	£
Community Links Music hub project	5,000	-
Rotary Adventure 7	4,898	-
	<hr/>	<hr/>
	9,898	-
	<hr/>	<hr/>

6. Independent examiner's remuneration

	2018	2017
	£	£
Independent examination	900	1,753
	<hr/>	<hr/>

7. Trustees' remuneration and expenses

The key management personnel of the charity are the Trustees, the Treasurer and Clerk whose costs are re-invoiced from Okehampton United Charity.

No remuneration, or reimbursed expenses directly or indirectly out of the funds of the charity, was paid or payable for the year to any Trustee or to any person or persons known to be connected with any of them.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

8. Debtors		2018	2017
		£	£
Grant distribution due from Okehampton United Charity		29,677	39,694
		<u>29,677</u>	<u>39,694</u>

9. Creditors	Note	2018	2017
		£	£
Due within one year:			
Independent examination		900	1,753
Allocation to Okehampton College	10	98,751	116,426
Allocation to Okehampton Primary School	10	50,148	41,412
Other grants		-	24,334
		<u>149,799</u>	<u>183,925</u>
Due after one year:			
Other grants		-	18,666
		<u>149,799</u>	<u>202,591</u>

10. Summary of allocations payable as at 31 December 2018

Okehampton College:	£
Balance brought forward	116,426
Allocation year ended 31 December 2018	49,624
	<u>166,050</u>
Paid during the year	67,299
	<u>98,751</u>
Balance outstanding at 31 December 2018	

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

10. Summary of allocations payable as at 31 December 2018 (continued)

Okehampton Primary School:

Balance brought forward	41,412
Allocation year ended 31 December 2018	18,609
	<hr/> 60,021
Paid during the year	9,873
	<hr/> 50,148

The allocations to Okehampton College and Okehampton Primary School have been set aside for awarding grants for specific projects upon application by the Governors of each school.

11. Analysis of net assets between funds

All of the charity's funds represent one unrestricted income fund.

12. Related parties

Okehampton Educational Foundation is directly linked with Okehampton United Charity (Reg no 202686) and is administered and managed by the same trustees as those of Okehampton United Charity. During the year, under the terms of the Okehampton United Charity Trust deed, £157,979 (2017: £150,427) was distributed to Okehampton Educational Foundation. At 31 December 2018 Okehampton Educational Foundation was owed £29,677 (2017: £39,694) by Okehampton United Charity.