

**THE SCOLLAR TRUST
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
31 MARCH 2007**

Draft Accounts

Charity Number 1105064

**THE SCOLLAR TRUST
COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2007**

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THE SCOLLAR TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2007

The trustees, who are also Directors for the purposes of the Companies Act, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2007.

INTRODUCTION

The SCOLLAR Trust was formed on 5th April 2004 following consultation with major stakeholders.

LEGAL STATUS

The SCOLLAR Trust is a company limited by guarantee with charitable status.

OBJECTIVES OF THE SCOLLAR TRUST

The objective of the trust is to advance education, in particular by providing and assisting with the provision of additional and/or new learning opportunities for the benefit of all learners in the area covered by the county of Essex.

ORGANISATION

(Including connected charities and companies)

The operational structure of the Trust currently consists of a board of directors, a small secretariat including a CEO, manager and administration staff, and steering groups responsible for specific projects and contracts outlined in the action plan. The membership and terms of reference for each group are available for inspection on request along with the contracts and memorandums of understanding relating to each project or contract. The names of directors can be found on page 4.

The SCOLLAR Trust works with and through partnerships of primary, secondary and special schools, public sector bodies, private organisations, employers and community volunteers, who are working together to achieve the objectives of the company. A list of partners can be found below:

Barons Court Infant School	Belfairs High School
Blenheim Primary School	Bournemouth Park Primary School
Bournes Green Infant School	Cecil Jones High School
Central Training Academy	Chalkwell Hall Infant School
Chalkwell Hall Junior School	Crown College
Darlinghurst Primary School	Earls Hall Primary School
Eastwood Primary School	EYDCP
Edwards Hall Junior School	Essex University
Fairways Primary School	Friars Primary School
Hamstel Infant School	Hamstel Junior School
Heycroft Primary School	Kingsdown
Lancaster	Leigh North Street Junior School
Prince Avenue Primary School	Priory School
Prospects College	Richmond Avenue Primary School
Sacred Heart RC Primary School	Shoeburyness High School
South East Essex College	Southend Adult Community College
Southend High School for Boys	Southend High School for Girls
Southend Youth & Connexions Service	St Bernard's High School
St George's RC Primary School	St Helen's RC Primary School
St Mary's C of E Primary School	St Nicholas School
Temple Sutton Primary School	The Chase High School
The Eastwood School	The St Christopher School
Thorpe Bay High School	Thorpe Greenways Junior School
Thorpedene Infant School	Thorpedene Junior School
Trident Trust	Vocational Training Services

THE SCOLLAR TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2007

West Leigh Infant School
Westborough Primary School
Westcliff High School for Girls

West Leigh Junior School
Westcliff High School for Boys

The directors have appointed MGI Rickard Keen LLP as accountants and auditors to the company.

INVESTMENT POWERS AND RESTRICTIONS

The principal activity of the company during the period continued to be that of distributing grants to education establishments. Monitoring and evaluating the impact of the use of these grants on behalf of funding bodies, bidding for new funds and establishing a wholly-owned subsidiary company

REVIEW OF DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS

Since April 2006 the company has:

- continued to establish itself in the community as a respected and high achieving organisation, able to deliver outcomes on time to a high standard;

- successfully established formal and informal relationships with all key stakeholders, including those that provide funds and those that use funds and others;

- effectively managed the performance of a small but motivated and skilled team of employees and associates that carry out the work effectively;

- generated new business in its own right;

- maintained policies, protocols and memorandums of understanding to ensure effective working practices; and

- monitored and evaluated the work of all projects and initiatives and been able to meet reporting requirements with all funding bodies and clients

- refreshed the Board of Trustees by recruiting two new Trustees and appointing a new Chair

- established a wholly-owned subsidiary company known as the SCOLLAR Associates.

Evidence suggests the work of the Trust has contributed to the following impacts and improvements during the year:

- improved attendance in partnership schools;

- raised attainment at all key stages in partnership schools;

- better provision for disaffected 14-16 year olds and those for whom a wholly academic curriculum is not appropriate;

- better choice and higher quality in the provision of vocational pathways for 14-19 year olds;

- better matched students recruited to Graduate Training Programme for teachers;

- significant additional support for students in primary and secondary schools as a result of the Students Associates Scheme (SAS);

- widened and raised participation in Higher Education (HE);

THE SCOLLAR TRUST COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2007

more appropriate transition arrangements, leading to better matched provision for 16 year olds leaving special school;

improved e-learning opportunities across the borough;

facilitation of approximately 294 Criminal Records Bureau checks to enable appropriate staff and volunteers to be placed in schools with confidence; and

RISK MANAGEMENT

The Trustees have implemented a risk management strategy, which comprises:

- An annual review of the risks which the charity may face
- The establishment of systems and procedures to mitigate those risk identified in the plan
- The implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

STATEMENT OF INTERNAL CONTROLS

a. Maintenance of internal controls

As Trustees, we have responsibility for maintaining a sound system of internal controls that supports the achievement of the Boards policies, aims and objectives whilst safeguarding the public funds and assets for which we are responsible. The system of internal control established by the board is designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurances of effectiveness. The system is based on an ongoing process designed to identify the principal risks to the achievement of board policies, aims and objectives. It then evaluates the nature and extent of those risks and ways to manage them efficiently, effectively and economically. The process has been in place for the year ended 31 March 2007 and up to the date of approval of the annual report and accounts.

b. Review of controls

As Trustees, we also have responsibility for reviewing the effectiveness of the system of internal control. In 2007 the board has continued the following established processes:

- identification of the board's objectives and key risks.
- the establishment of systems and procedures to mitigate the risks identified in the plan
- the implementation of procedures designed to minimise any potential impact on the charity should any risk materialise
- procedures for monitoring progress against the strategic objectives at regular meetings
- a comprehensive annual review of the plan, including a review of the risks which the charity may face
- the allocation of risk ownership, including the role of the Board, sub-committees, the CEO and project steering groups.

The Board ensure the continuation of good practice achieved by the charity by the separation of staff duties where possible, increasing the frequency of Board, committee and staff meetings and identifying opportunities for staff development with clear development objectives.

RESERVES

Unrestricted funds enable the Charity to respond to changing community needs to create innovative responses to community problems and to enhance the quality of opportunities for young people in Essex and to meet administrative expenditure. Funders place no restrictions on how these funds are to be used, leaving those decisions to the discretion of the Charity's board of directors. Each year the board reviews the level of unrestricted funds, and in respect of any surplus considers proposals from stakeholders and makes decisions about allocation.

TRUSTEES ANNUAL REPORT (continued)

YEAR ENDED 31 MARCH 2007

RESULTS

The results for the year, and the charity's financial position at the end of the year are shown in the attached financial statements.

THE TRUSTEES

The Trustees who served the charity during the period were as follows:

T. Carter
P. Elliot
L. O'Reilly
D. Osborn
S. Roberts
P. Sedgwick

T. Carter resigned as a Trustee on 6 October 2006.

L. O'Reilly resigned as a Trustee on 22 March 2007.

S. Roberts resigned as a Trustee on 5 February 2007.

TRUSTEES' RESPONSIBILITIES

Company 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 at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the Trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The Trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Trustees 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.

AUDITOR

A resolution to re-appoint MGI Rickard Keen LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
9 Nelson Street
Southend on Sea
Essex
SS1 1EH

Signed by order of the Trustees

J SPEER
Company Secretary

Approved by the Trustees on

THE SCOLLAR TRUST COMPANY LIMITED BY GUARANTEE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SCOLLAR TRUST

YEAR ENDED 31 MARCH 2007

We have audited the financial statements of The Scollar Trust for the year ended 31 March 2007 set out on pages 7 to 11. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As described in the statement of Trustees' responsibilities on page 4, the company's trustees are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the company is not disclosed.

We report to you whether in our opinion the information given in the Trustees' Report is consistent with the financial statements.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**THE SCOLLAR TRUST
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
SCOLLAR TRUST**

YEAR ENDED 31 MARCH 2007

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2007 and of its profit for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.
- the information given in the Trustees' Report is consistent with the financial statements.

.....
MGI Rickard Keen LLP

9 Nelson Street
Southend-on-Sea
Essex
SS1 1EH

Date:.....

THE SCOLLAR TRUST COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2007

		Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
	Note				
INCOMING RESOURCES					
Income from charitable trading activities:					
Grants receivable	2	356,272	637,635	993,907	1,196,094
Interest receivable	3	<u>2,619</u>	–	<u>2,619</u>	<u>6,207</u>
TOTAL INCOMING RESOURCES		<u>358,891</u>	<u>637,635</u>	<u>996,526</u>	<u>1,202,301</u>
RESOURCES EXPENDED					
Charitable expenditure:					
Costs in furtherance of charitable objects	4	57,528	879,562	937,090	1,216,388
Management and administration	5	<u>25,897</u>	–	<u>25,897</u>	<u>15,585</u>
TOTAL RESOURCES EXPENDED	6	<u>83,425</u>	<u>879,562</u>	<u>962,987</u>	<u>1,231,973</u>
NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR					
		275,466	(241,927)	33,539	(29,672)
Balances brought forward		<u>51,918</u>	<u>619,968</u>	<u>671,886</u>	<u>701,558</u>
Balances carried forward		<u>327,384</u>	<u>378,041</u>	<u>705,425</u>	<u>671,886</u>

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 9 to 11 form part of these financial statements.

**THE SCOLLAR TRUST
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 MARCH 2007

	Note	2007 £	£	2006 £
FIXED ASSETS				
Investments	7		1	-
CURRENT ASSETS				
Debtors	8	68,780		142,011
Cash at bank and in hand		<u>675,035</u>		<u>761,648</u>
		743,815		903,659
CREDITORS: Amounts falling due within one year	9	<u>(38,391)</u>		<u>(231,773)</u>
NET CURRENT ASSETS			705,424	671,886
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>705,425</u>	<u>671,886</u>
NET ASSETS			<u>705,425</u>	<u>671,886</u>
FUNDS				
Restricted	10		378,041	619,968
Unrestricted	11		<u>327,384</u>	<u>51,918</u>
TOTAL FUNDS			<u>705,425</u>	<u>671,886</u>

These financial statements were approved by the members of the committee on the
and are signed on their behalf by:

D Osborn
Director and Trustee

The notes on pages 9 to 11 form part of these financial statements.

THE SCOLLAR TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Companies Act 1985.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

2. GRANTS RECEIVABLE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Government grants (restricted)	10,857	637,635	648,492	1,133,929
Government grants (unrestricted)	38,490	-	38,490	58,728
Other income	306,925	-	306,925	3,437
	<u>356,272</u>	<u>637,635</u>	<u>993,907</u>	<u>1,196,094</u>

3. INTEREST RECEIVABLE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Bank interest receivable	2,619	-	2,619	6,207

4. COSTS IN FURTHERANCE OF CHARITABLE OBJECTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Provision of charitable services:				
Provision of grant monies to educational causes	57,528	879,562	937,090	1,216,388

5. MANAGEMENT AND ADMINISTRATION

	Unrestricted Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
Office costs	19,004	-	19,004	10,368
Audit fees	5,805	-	5,805	4,700
Legal and professional charges	206	-	206	467
Interest payable and similar charges	88	-	88	50
Other	794	-	794	-
	<u>25,897</u>	<u>-</u>	<u>25,897</u>	<u>15,585</u>

**THE SCOLLAR TRUST
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

6. TOTAL RESOURCES EXPENDED

	Other costs	Total Funds
	£	2006
	£	£
Direct charitable expenditure	937,090	1,216,388
Management and administration	25,897	15,585
	<u>962,987</u>	<u>1,231,973</u>

No salaries or wages have been paid to employees, including the members of the committee, during the year.

	2007	2006
	£	£
Other costs:		
Premises	10,078	2,977
Legal and professional	6,011	5,167
Other	946,898	1,223,829
	<u>962,987</u>	<u>1,231,973</u>

7. INVESTMENTS

	2007	2006
	£	£
Acquisitions at cost	1	-
Historical cost at 31 March 2007	<u>1</u>	<u>-</u>

The Trust subscribed to the entire share capital of Scollar Associates Limited on incorporation on 6 November 2006. Scollar Associates Limited is registered in England and Wales, (registration number 05989139) and had not commenced trading at the balance sheet date.

8. DEBTORS

	2007	2006
	£	£
Trade debtors	52,028	142,011
Amounts owed by group undertakings	16,752	-
	<u>68,780</u>	<u>142,011</u>

9. CREDITORS: Amounts falling due within one year

	2007	2006
	£	£
Trade creditors	33,397	226,073
Accruals	4,994	5,700
	<u>38,391</u>	<u>231,773</u>

THE SCOLLAR TRUST COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2007

10. RESTRICTED FUNDS

	Movement in resources:				£
	Balance at	Incoming	Outgoing	Transfers	
	1 Apr 2006	£	£	£	
E 2 E Project	19,787	75,405	(53,979)	-	41,213
Reading Recovery Fund	579	-	(579)	-	-
EEDA	48,208	-	(48,208)	-	-
Aim Higher	132,810	92,405	(157,179)	-	68,036
Mixlt	155,796	-	(155,796)	-	-
Optima	121,197	100,000	(43,113)	-	178,084
Gateway 2 Teaching	122,007	108,976	(203,313)	-	27,670
School Sports Coordinator Programme	-	5,720	(5,720)	-	-
Leadership Incentive Grant	8,971	-	(8,971)	-	-
Future Builders	-	71,586	(58,944)	-	12,642
Cluster Conference	3,862	-	-	(3,862)	-
South African Rugby Tour	6,751	470	-	(7,221)	-
Student associate scheme	-	98,706	(48,310)	-	50,396
Momenta sports project	-	84,367	(84,367)	-	-
	<u>619,968</u>	<u>637,635</u>	<u>(868,479)</u>	<u>(11,083)</u>	<u>378,041</u>

11. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

	Other net assets £	Total £
E 2 E Project	41,213	41,213
Aim Higher	68,036	68,036
Optima	178,084	178,084
Gateway 2 Teaching	27,670	27,670
Future Builders	12,642	12,642
Student associate scheme	50,396	50,396
	<u>378,041</u>	<u>378,041</u>
Unrestricted funds	327,384	327,384
	<u>705,425</u>	<u>705,425</u>

12. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee, not having share capital. Every member undertakes to contribute to the assets of the company up to a maximum of £1 in the event of it being wound up.

13. RELATED PARTIES

During the year The Scollar Trust Limited incurred expenses on behalf of its subsidiary, Scollar Associates Limited. At the year end the balance owing from Scollar Associates Limited was £16,752.

**THE SCOLLAR TRUST
COMPANY LIMITED BY GUARANTEE**

MANAGEMENT INFORMATION

YEAR ENDED 31 MARCH 2007

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 7 to 11.**

**THE SCOLLAR TRUST
COMPANY LIMITED BY GUARANTEE**

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2007

	2007		2006
	£	£	£
INCOME			
Government grants (restricted)	648,492		1,133,929
Government grants (unrestricted)	38,490		58,728
Other income	306,925		3,437
Bank interest receivable	2,619		6,207
TOTAL INCOME	996,526		1,202,301
CHARITABLE EXPENDITURE:			
Other direct charitable costs	937,090		1,216,388
		937,090	1,216,388
MANAGEMENT AND ADMINISTRATION			
Rent	6,004		—
Insurance	2,509		1,664
Repairs & maintenance	1,565		1,313
Telephone	691		787
Audit fees	5,805		4,700
Legal fees	206		467
Travel & subsistence	794		—
Other costs	8,235		6,604
		25,809	15,535
INTEREST PAYABLE			
Other similar charges	88		50
		88	50
TOTAL EXPENDITURE		962,987	1,231,973
NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR		33,539	(29,672)