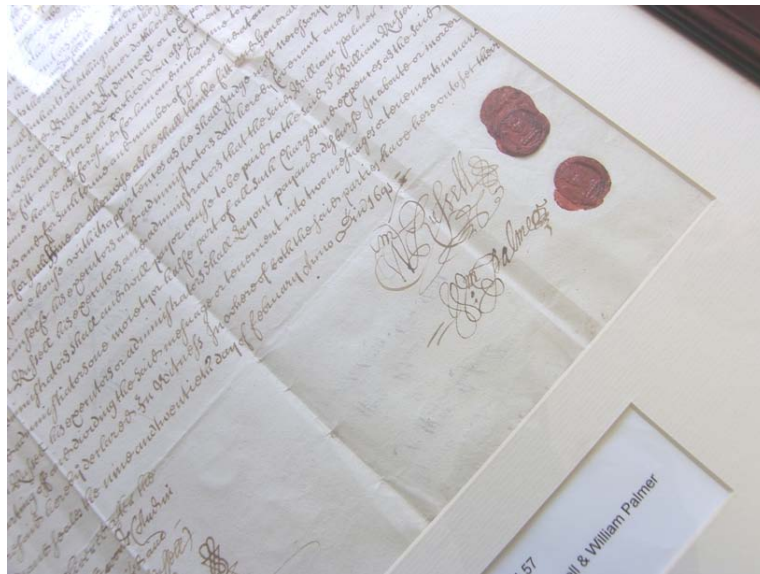




William Palmer College Educational Trust

Report and Financial Statements

Year ended: 31st July 2011



Charity No: 310860

Reference and Administrative Information

Trustees as at 31st July 2011

Appointing Body

Governors of the College	Cliff Carter and Mark Vinall
Thurrock Council	John Vesey and Anne Cheale
Vicar and Churchwardens	Reverend Darren Barlow
Senate of the University of London	Brian Little

Co-opted by the other Trustees

Maureen Challis, Merlyn Jones and Pat Lang

Ex-officio Trustees

The Chairman of the Corporation, Clive Attwood is an ex-officio Trustee.

Foundation Governors

The Instrument of Government of the Corporation provides for the Trustees to nominate four Foundation Governors to the Governing Body of the College for the purpose of securing, as far as practicable, that the established character of the institution (namely its character immediately before it began to be conducted by the Corporation) is preserved and developed and, in particular, that the institution is conducted in accordance with the provisions of any trust relating to it. At present, there are three Foundation Governors who are Cliff Carter, Brian Little and Martin Healy.

Other Administrative Information

Chairman of the Trustees	Brian Little
Vice Chairman of the Trustees	Revd Darren Barlow
Clerk to the Trustees	John Vesey
Secretary to the Trustees	Maureen Challis
Charity Number	310860
Principal Office	Chadwell Road. Grays, Essex RM17 5TD
Auditors	Rowland Hall, 44/54 Orsett Road, Grays, Essex RM17 5ED
Bankers	Barclays Bank PLC, 9 High Street, Grays, Essex RM17 6NL
Legal Advisor	Clive Tant, Palmers Solicitors, 19 Town Square, Basildon, Essex SS14 1BD
Investment Managers	CCLA Investment Management Ltd, 80 Cheapside, London EC2V 6DZ

Report of the Trustees for the year ended 31st July 2011

The Trustees present their report along with the financial statements of the charity for the year ended 31st July 2011. The financial statements have been prepared in accordance with the accounting policies set out on page 8 and comply with the charity's Trust Deed, the Charities Act 2006 and the Statement of Recommended Practice: Accounts and Report by Charities 2005.

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 Ancient Parish of Grays Thurrock with the best 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. In January 2011, the Trustees also elected 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 Maureen Challis, Secretary to the Trustees, who continues to work for the Trust on a freelance basis, although her employment status is still covered by the College administration.

Trustees are appointed for four years by their Nominating Body and Co-optative Trustees serve for five years. We regret to have to announce that Bryan S Coker died on the 10th July 2011. Bryan served the Trust and the College for over 40 years and his contribution will be sorely missed. Brian Little was elected Chairman of the Trust on the 22nd July 2011. During this year, Merlyn Jones was reappointed as a Co-optative Trustee for a period of five years ending on the 5th June 2016 and Mark Vinall was reappointed as a Nominative Trustee by the College for the 4 years ending 31st July 2015.

Trustees keep under review the reappointment of Nominative Trustees who may be, but need not be, members of the appointing body. Co-optative Trustees are sought who through residence, occupation or employment, or otherwise, have special knowledge of the area of the Ancient Parish of Grays Thurrock.

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, Charity Commission's booklet, 'The Essential Trustee' and a copy of the Annual Accounts. Prior to meeting the Chairman and other Trustees, wherever possible the new Trustees are given a tour of the College by the Secretary which is followed by an information meeting provided by the Clerk and the 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 CRB 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 considered at the next Trustees' meeting. Details of how to apply for grants are available from the Trust Office, the Trust Web Site 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 attended the Endowed Schools or the College, do provide prizes for the current students. The Hew Watt Family Charitable Trust is particularly generous to our Trust. It provides prizes and, in the past, has provided considerable capital sums for buildings such as the Hew & Molly Watt Dance Studio.

Report of the Trustees for the year ended 31st July 2011 (Continued)

Risk Management

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

- a) Non-compliance with the Trust Scheme, relevant legislation and Trust's working standard practice.
- b) Inadequate building maintenance and insurance
- c) Bad Investment decisions
- d) Acceptance of Fraudulent Grant claims
- e) Possibility of legal action against the Trustees

Although the Trust does not have an Internal Audit Committee, all the College applications are made in arrears and are examined by the Internal Auditors before consideration by the Trustees. The Internal Auditors also visit the Trust at least twice a year and produce comprehensive audit reports to the Trustees.

Objectives, Aims and Activities

William Palmer established the Foundation in 1706 'to 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 Ancient Parish of Grays Thurrock 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 now quite modest, and just involve ensuring that the Trust continues to support the students at the College by subsidising trips and visits, providing grants where necessary, prizes to encourage achievement and assistance to some of the students going to university.

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

Negotiations on the terms of a proposed Lease, between the Trust and the Corporation are continuing with Carey Jacobs of Palmers Solicitors acting for the Trust. It is a great disappointment that matters could not be finalised before Bryan's death as he had set his heart on resolving any outstanding points before his retirement.

The proposal to rebuild the College highlighted the fact that the Trust provided both the land, and the majority of the existing buildings (details of which are shown on our Web Site) and were valued, together with the remainder of the buildings, at £10,733,000 on 1st April 2010.

Report of the Trustees for the year ended 31st July 2011 (Continued)

Financial Review

The Trust relies on the income from its investments. During the 2010/2011 year, this income was £196,275.

Under Clause 29/2, the total amount paid to students participating in trips and visits was £69,111 which was slightly more than last year's total of £64,093. There was a considerable increase in the grants used to help pupils at our local schools - £21,490 instead of the £14,620 last year. £23,400 was awarded to students who have now left the College but are continuing their education at universities. The expenditure on prizes, under Clause 29(1), came to £15,300.

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 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.

Investment Policy and Performance

The Trustees wish 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 be invested in an equity-based fund such as the Charities Official Investment Fund. This should optimise the opportunities for capital growth and offer protection from the erosive effects of inflation.

After the changes in the Asset Allocation last year, the majority of the Trust's capital was invested in Income Units with smaller amounts invested in Global Equity Units and Property Units. All Recoupment payments are invested in Global Equity Units.

The Guide for Charity Trustees, regarding Responsible Investment, was discussed by the Trustees and it was decided not to move any funds over to the new COIF Charities Ethical Investment Fund.

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.

This year, the total Investment Income increased to £196,275, compared with £178,786 last year.

Achievement and Performance including Public Benefit

During the year, the Trust funded 50% or 25% of the cost of the trip for students to participate in visits as part of their Geography, Biology, PE, Travel and Tourism, Sport & Leisure and Business Studies Courses and special visits to Southampton and Oxford Universities. A wide range of other residential educational visits were funded by the Trust and these included, Berlin, Normandy, Portugal, London, Paris, Magam, Orierton, Arran and Ecuador and New York.

Day visits to conferences, drama productions, galleries and concerts were part funded by the Trust who also provided Support grants to needy students at the College. The Trustees also pay for the hockey, netball, football and rugby umpire/referee fees necessary for sporting events and for coaches to the various venues.

During our Annual Prize Giving Ceremony, the Trust awarded 106 prizes for achieving 3 A grades at A-level or equivalent, 77 bursaries for achieving 3 A grades at A-level or equivalent and attending university, 72 prizes for achievement at A level and BTEC, 20 prizes for 100% attendance and 19 prizes for achievement at AS level as well as 29 prizes for distinction at BTEC Introductory Diploma or First Diploma Award

The Trust also provided grants towards trips and visits for needy pupils who live in the Ancient Parish of Grays Thurrock and attend local schools. To advance the work of the Trust, the Clerk and the Secretary visited the schools regularly during the year.

Report of the Trustees for the year ended 31st July 2011 (Continued)

Achievement and Performance including Public Benefit (Continued)

The Trustees have had due regard to the Guidance on the Public Benefit requirement as issued by the Charity Commission and the Trustees appreciate the fact that their help to the College also benefits the wider community. Examples of this are the Astro turf pitch, which is used by the local hockey team and various football clubs, and the Theatre which is 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, is used at a very reasonable cost by the public and school children during the year and even more extensively during the summer holidays.

Reserves Policy

The Trustees aim 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 Reserves ie Accumulated Income. The decision to earmark £30,000 for a Minor Building Project for the College was in furtherance of this Policy.

Plans for the Future

The prospects for the future of the College are good with the examination results improving every year and the College described as "Outstanding" by Ofsted but the competition for students is also increasing with some local schools starting their own sixth form. The allotment by the funding agencies, of over one and a half million pounds, towards improvements to the College Land and Buildings, appears to indicate confidence in the continued importance of Palmer's College in the local educational scene.

In any event, the Trustees will continue to help and support the beneficiaries.

The Trust now has an improved Web Site, which is linked to the College Web Site, and which is being developed with the assistance of a member of the College staff.

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:

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- d) 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.

Approved by the Trustees on 21st November 2011 and signed on their behalf by:

Brian Little
Chairman of the Trustees

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31st JULY 2011

	Notes	Unrestricted Income Fund £	Restricted Capital Fund £	Permanent Endowment (Property) £	Total Funds £	2010 £
Incoming Resources						
From General Fund						
Investment Income		196,275	-	-	196,275	178,786
Revaluation of Freehold Property		-	-	-	-	852,552
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Incoming Resources		196,275	-	-	196,275	1,031,338
		<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
Resources Expended						
Charitable Activities						
Grants Approved	2	129,301	-	-	129,301	113,663
Maintenance - Buildings		472	-		472	2,235
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Cost of Grant making		129,773	-	-	129,773	115,898
Governance Costs	3	9,835	-	346,526	356,361	404,197
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Resources Expended		139,608	-	346,526	486,134	520,095
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Incoming/(Outgoing) Resources - Before Transfers		56,667	-	(346,526)	(289,859)	511,243
Transfers of Income Capitalised	4	(16,163)	16,163	-	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net (Outgoing)/Incoming Resources - Before other recognised gains and losses		40,504	16,163	(346,526)	(289,859)	511,243
Other Recognised gains and losses						
Realised gain on Investment		-	-	-	-	61,773
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net Movement in Funds		40,504	16,163	(346,526)	(289,859)	573,016
Reconciliation of Funds						
Total Funds at 1 st August 2010		62,578	2,837,412	10,342,862	13,242,852	12,669,836
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Funds at 31st July 2011		103,082	2,853,575	9,996,336	12,952,993	13,242,852
		<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

BALANCE SHEET AS AT 31st JULY 2011

	Notes	£	2011 £	£	2010 £
FIXED ASSETS					
Freehold Property	5	9,996,336		10,342,862	
Investments	6	2,853,575		2,837,412	
			<u>12,849,911</u>		<u>13,180,274</u>
CURRENT ASSETS					
Cash on Deposit - COIF Account		102,640		59,528	
- Barclays Account		2,442		5,050	
			<u>105,082</u>		<u>64,578</u>
CURRENT LIABILITIES					
Grants Payable		-		-	
Other Creditors		2,000		2,000	
			<u>2,000</u>		<u>2,000</u>
NET CURRENT ASSETS			103,082		62,578
NET ASSETS			<u>£12,952,993</u>		<u>£13,242,852</u>
FUNDS					
Restricted Capital Fund	7	2,853,575		2,837,412	
Permanent Endowment		9,996,336		10,342,862	
Unrestricted Income Fund		103,082		62,578	
			<u>£12,952,993</u>		<u>£13,242,852</u>

Approved by the Trustees on 21st November 2011 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 2011

1. ACCOUNTING POLICIES

(i) The Accounts are prepared under the historical cost convention as modified by the revaluation of Freehold Property and in accordance with the appropriate Charities SORP 2005.

(ii) 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. There is no formal agreement or lease to establish a precedent for this arrangement or the period over which this arrangement will exist. Although negotiations between the College and the Trust are presently taking place in relation to establishing a Lease, in the absence of any formal agreement the Trustees expect the existing arrangement to continue for the foreseeable future.

In accordance with Financial Reporting Standard 5 the Trustees have deemed it appropriate to carry Land and Buildings to which the Trustees have title within the Accounts at their open market value. The Buildings subject to valuation consist of all buildings constructed on land owned by the Trust regardless of who actually incurred the expenditure to erect those buildings. A formal valuation was carried out by NPS Property Consultants (Chartered Surveyors) in April 2010 when they valued the freehold land and buildings at £10,733,000. The Trustees are not aware of any circumstances likely to materially affect that valuation.

With the encouragement of the Learning and Skills Council (LSC), the Corporation of Palmer's College submitted a Grant Application to the LSC with a view to rebuilding practically all the College buildings. After considerable effort and expense, it was discovered that the LSC did not have sufficient money to provide any such support.

Changes to the Scheme which governs the administration of the Trust and the grant of a Lease to the College were stated to be required by the LSC. The Scheme has been changed by the issue of an Order by the Charity Commission, in case another funding agency offers a capital grant to the College.

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
M & E Element	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 a substantial increase in the depreciation charge as disclosed in note 3. It is however the revision of an estimation technique and not a change in Accounting Policy so no Prior Year adjustment is required.

(iii) Investment Income -

Investment Income, which is gross, is accounted for on a received basis.

(iv) Investments -

The Trust's investments are held primarily in order to generate income over a long-term period. The surplus arising on revaluation at any particular time will not normally be realised and the investments have therefore been stated in the Balance Sheet at cost.

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST

NOTES TO THE ACCOUNTS YEAR ENDED 31st JULY 2011 (CONTINUED)

2. GRANTS APPROVED

	2011 £	2010 £
Under Clause 29(1) of the Scheme:		
College	15,300	17,750
Under Clause 29(2) of the Scheme:		
College Students	69,111	64,093
School Pupils	21,490	14,620
Other Individuals	23,400	17,200
	129,301	113,663
	129,301	113,663

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 College or School, as appropriate. If a Grant has not been paid by the end of the financial year, the amount approved would be shown under the heading of Current Liabilities.

3. GOVERNANCE COSTS

	2011 £	2010 £
Secretarial Service Fee	4,543	4,482
Other Office Expenses	889	437
Audit Fee	1,022	978
Fees paid to Auditors for non-audit Services	2,932	2,491
Expenses paid in respect of Trustees	449	683
Construction of Trust Web Site	0	2,262
Costs re Proposed Lease and Changes to Scheme	0	2,726
	9,835	14,059
Depreciation	346,526	390,138
	356,361	404,197
	356,361	404,197

No remuneration was paid to any Trustee during the year apart from one Trustee who received a Fee in respect of the Secretarial Service as shown above.

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

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

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

4. TRANSFERS OF INCOME CAPITALISED

Repayment – Lecture Theatre	£ 9,913
Repayment – Dance Studio	6,250
	16,163
	16,163

WILLIAM PALMER COLLEGE EDUCATIONAL TRUST
NOTES TO THE ACCOUNTS YEAR ENDED 31st JULY 2011 (CONTINUED)

5. LAND AND BUILDINGS	Total £
At Valuation as at April 2010	10,733,000
Depreciation accrued to 31 st July 2010	390,138
	10,342,862
Net Book Value as at 31 st July 2010	10,342,862
Depreciation for year to 31 st July 2011	346,526
	£9,996,336

- a) 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 Sixth Form College Corporation as defined within the Apprenticeships Skills Children and Learning Act 2009.
- b) The College insures the buildings for £23million and the Trust's interest is noted in the Policy.
- c) 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 period of 40 years.
- d) To comply with this requirement, in respect of expenditure on the Lecture Theatre of £400,000, an annual amount was invested in the Charities Official Investment Fund Accumulation Share and 21 instalments of £3,600 were still to be made at 1st August 2009. The Trustees decided to use part of their Accumulated Income (Unrestricted Income Fund) to replace some of the outstanding capital in respect of the Lecture Theatre. The value of the relevant Accumulation Shares amounted to £118,494 and together with £73,341 from Accumulated Income, Global Equity Shares were purchased to the value of £191,835 to replace part of the capital spent on the Lecture Theatre. The Charity Commissioners issued an Order, for the balance of the expenditure on the Lecture Theatre of £208,165, to be replaced by purchasing investments in Global Equity Income Shares of £9,913 each year for 21 years. There are 19 instalments still to be made.
- e) 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 are 34 instalments left.
- f) In accordance with FRS 12, the Trustees report that 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 Palmer's 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 2011 (CONTINUED)

6. INVESTMENTS

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

	At Cost at 1/8/10 £	Transactions Year to 31/7/11 £	At Cost at 31/7/11 £	Market Value 31/7/11 £
Income Units	2,154,499	-	2,154,499	3,508,713
Global Equity Units	456,577	16,163	472,740	477,864
Property Units	226,336	-	226,336	225,599
	<hr/>	<hr/>	<hr/>	<hr/>
	2,837,412	16,163	2,853,575	4,212,176
	=====	=====	=====	=====

The annual Recoupment payments of £16,163 are invested in Global Equity Units.

7. FUNDS

	1/8/10 £	Incoming Resources £	Outgoing Resources £	31/7/11 £
Restricted Capital	2,837,412	16,163	-	2,853,575
Permanent Endowment	10,342,862	-	346,526	9,996,336
Unrestricted Fund	62,578	196,275	155,771	103,082
	<hr/>	<hr/>	<hr/>	<hr/>
	13,242,852	212,438	502,296	12,952,993
	=====	=====	=====	=====

- a) The permanent endowment relates to the freehold land and buildings, known as Palmer's College Grays, which was revalued during 2010.
- b) The permanent endowment is charged with annual depreciation in relation to the building structures and the mechanical and electrical components of those structures.
- c) There were no Losses during the current year.

8. COMMITMENTS

Currently there are no future commitments.

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.

**Independent Auditors Report to the Trustees of
William Palmer College Educational Trust**

We have audited the financial statements of William Palmer College Educational Trust for the for the year ended 31st July 2011 which comprise the Statement

of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention, as modified by the revaluation of Freehold Property, and the accounting policies set out on therein.

This report is made solely to the charity's members, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Trustees and Auditors

The Management Team's responsibilities for preparing the Annual Report of The Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Practice) are set out in the Statement of Responsibilities of The Trustees.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. 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 Charities Act 1993. We also report to you if, in our opinion, the information given in The Trustees Report is not consistent with the financial statements, if the Charity has not kept sufficient accounting records, if the financial statements are not in agreement with those accounting records or if we have not received all the information and explanations we require for our audit.

We read The Trustees Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes 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 judgments made by the team 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.

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 Charity's affairs as at 31st July 2011 and of its incoming resources and application of resources in the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.

44/54 Orsett Road,
Grays, Essex.

24th November 2011

ROWLAND HALL
Chartered Certified Accountants
and Registered Auditors