

THE PRINCE'S TEACHING INSTITUTE
(An incorporated charity limited by Guarantee)

Registered Charity No. 1116224

Company No. 05910443

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2009

The Prince's Teaching Institute
(An incorporated charity limited by Guarantee)
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The Prince's Teaching Institute

Trustees' Report for the year ended 30 September 2009

The directors and charity trustees (the "Trustees") of The Prince's Teaching Institute (the "PTI") present their third report together with the audited financial statements of the charity for the year to 30 September 2009. The financial statements are prepared in accordance with the *Statement of Recommended Practice for Accounting and Reporting by Charities* ("SORP 2005") published by the Charity Commission in 2005 and with the *Financial Reporting Standard for Smaller Entities* published by the Accounting Standards Board in April 2008.

Legal and administrative information

Company and charity details

The PTI is a registered charity numbered 1116224 and a company limited by guarantee numbered 05910443. The company was incorporated on 18 August 2006 and effectively commenced its activities on 1 January 2007. The company is registered in England & Wales and its registered office is Nutmeg House, 60 Gainsford Street, London SE1 2NY.

President

HRH The Prince of Wales KG KT GCB OM

Directors and charity trustees

Mr Alan H M Kelsey
Mr Harvey McGrath (Chairman)
Dr Katharine B Pretty FSA
Sir Michael Wilshaw

Company secretary

Martin B M Williams FSA

Co-directors

Bernice McCabe
Christopher Pope

Accountants and auditors

Kingston Smith LLP
Devonshire House
60 Goswell Road
London EC1M 7AD

Legal advisers

Farrer & Co
66 Lincoln's Inn Fields
London WC2A 3LH

Bankers

HSBC Bank plc
69 Pall Mall
London SW1Y 5EY

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Principal address

PO Box 50473
London W8 5HJ

The foregoing legal and administrative information correct as at 15 December 2009.

Structure, governance and management

Governing document and membership

The PTI is a registered company limited by guarantee and its governing document is its Memorandum & Articles of Association. For the time being all the members of the company are Trustees, all of whom have signed a statement pledging to contribute £1 to the funds of the company in the event of it being wound up and there being a deficiency of assets.

Recruitment, appointment and induction of Trustees

The Trustees of the charity are also directors of the company for the purposes of company law. The number of Trustees may not be less than three nor more than 10. The President (provided that he is HRH The Prince of Wales) may appoint a Prince's Trustee for such period as he sees fit. To date this appointment has not been filled. All the other Trustees are Elected Trustees and are appointed by either the members of the company in general meeting or by the Trustees themselves. No person may be appointed (or re-appointed) a Trustee unless he or she has been nominated by the President (after consultation with the Chairman).

As and when required, additional trustees are appointed after an informal review of the skills and experience represented on the Trustee body and informal consultation with the President and other stakeholders.

Chairman

The governing document provides for the President (after consultation with the Trustees) to appoint a chairman from amongst their number. In June 2009, HRH The Prince of Wales was pleased to appoint Harvey McGrath chairman of the PTI from 1 July in succession to The Lord Wilson of Dinton who had held that office since the inception of the charity. Mr McGrath is currently the chairman of Prudential plc.

The Trustees record their thanks to Lord Wilson for the deft and inspirational leadership he demonstrated during the period of his chairmanship. It is a tribute to him that he leaves a growing organisation in excellent health.

Membership of the Trustee body

The trustees who served during the year under review were:

Alan H M Kelsey
Mark M Leishman (resigned on 31 December 2008)
Harvey McGrath
Dr Katharine B Pretty
Sir Michael N Wilshaw (appointed 1 July 2009)
The Lord Wilson of Dinton (resigned on 2 July 2009)

Sir Michael Wilshaw was appointed a trustee for three years on 1 July 2009: he brings to the charity a wide-ranging experience of education gained over more than 20 years. Currently he is head of Mossbourne Community School, Hackney and Director of Education of ARK ("Absolute Return for Kids"). Dr Pretty was re-appointed a trustee for a second term of three years on 18 August 2009.

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Trustees' Report for the year ended 30 September 2009

Mark Leishman, Senior Deputy Private Secretary to HRH The Prince of Wales, resigned as a Trustee until 31 December 2008; however, he continues to take a close interest in the charity and its work and the trustees record their thanks to him.

Organisational structure and decision-making process

The President

The Trustees record with gratitude the continuing support of HRH The Prince of Wales and his staff.

Trustees

The Trustee body administers the PTI. It met six times during the period under review. At no time during the year did any Trustee have a beneficial interest in the charity. The Trustees have set up a standing committee: the Academic Steering Group (the "ASG") the purpose of which is to direct the PTI's academic strategy.

Organisation

The Trustees have appointed two Co-directors (Christopher Pope and Bernice McCabe) to manage the day-to-day operations of the PTI. They are assisted by a Business Development and Operations Manager (Patrick Wigg) and an Administrator/Project Co-ordinator (Jane McCallum). There is also a part-time Company Secretary. Christopher Pope, Patrick Wigg and Jane McCallum are full-time employees. In September 2009, Melanie Wilkinson was appointed Development Director on a part-time basis.

Academic activities are led by a group of practising teachers acting as consultants.

The Prince's Charities' Group (the "Charities Group").

The PTI is one of the group of more than 20 charities that enjoy the direct patronage of HRH The Prince of Wales. The chief executives and senior staff of this group meet with members of the Prince's Charities' Office and the other charities within the Charities Group on a regular basis in order to discuss matters of common interest.

Internal controls and the mitigation of risk

The Trustees are responsible for the management of the risks faced by the charity with particular reference to internal controls and the mitigation of risk. The Trustees actively review the risks faced by the charity on a regular basis and have put in place systems and procedures to identify and mitigate the major risks so far as is possible.

The key controls used include:

- Formal agenda and minutes for meetings of the Trustees and the Board committees.
- A statement of matters reserved to the Trustees.
- A formal Risk Register that is reviewed on a regular basis.
- Established organisational and governance structure and reporting lines.

The Trustees recognise that systems can only provide reasonable, and not absolute, assurance that major risks are being adequately managed.

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Trustees' Report for the year ended 30 September 2009

Objectives, activities and achievements

Origins of the PTI

The PTI was established in 2006 to take over the management and organisation of the annual Education Summer Schools ("ESS") founded by HRH The Prince of Wales in 2002 as a forum to promote the inspirational teaching of English and History in state secondary schools. The ESS took the form of four-day residential events bringing together eminent academics, writers and policy-makers, and teachers, giving the latter group time away from the classroom to reflect on the fundamental issues underpinning their profession, such as why subjects are important, what should be taught and how best to do so.

From their inception the ESS were run by Bernice McCabe, Headmistress of the North London Collegiate School, with the assistance of a small and dedicated team of teachers.

By 2006, it was clear that the success of the Prince's vision required a body dedicated to the organisation and financing of the ESS, expanding their remit and the establishment of a formal partnership with the University of Cambridge.

Objectives

The PTI is committed to improving the education of children in state schools in England. Working in partnership with the University of Cambridge, it believes that all children, regardless of background or ability, are entitled to be taught a rigorous subject-based curriculum by teachers who are passionate and knowledgeable about their subject.

The Trustees are pursuing this objective by working with secondary school teachers, and it focuses on three areas:

- **Promoting inspirational subject teaching:** Whereas doctors, lawyers and other professionals have a legal requirement to stay up-to-date with their knowledge, this is not so with teachers. Despite research confirming that a teacher's knowledge of their subject is the most important factor in effective teaching, there is little such training available to teachers. Working with Cambridge University and Britain's most eminent speakers (such as Professor Simon Schama, Professor Susan Greenfield and Sir Tom Stoppard), the PTI updates teachers' subject knowledge, and promotes the idea that enthusiasm for good knowledge and subject rigour are essential requirements for effective teaching to children of all abilities.
- **Maintaining curriculum standards:** The PTI works with school departments to ensure that they make rigorous curriculum choices, avoiding "easy choices" that result in children not receiving a good grounding of knowledge for life. It also provides a channel of communication from teachers to government and its agencies to promote high curriculum standards.
- **Teaching beyond the test:** Teachers often feel a need to "teach to the test", and this has been highlighted by independent commentators as a problem in many schools. The PTI empowers teachers to change their classroom practices and encourages them to develop extra-curricular provision and helps them build networks outside school.

Activities

The PTI helps teachers to learn from the example of the best of their peers, re-inspiring them to give of their best in the classroom. Working in English, History, Mathematics, Science and Geography, the PTI offers five strands of activity.

The Schools Programme

This is a membership scheme for state school departments which are committed to challenging and extending all pupils, regardless of ability, with rich subject provision. Those which make their

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Trustees' Report for the year ended 30 September 2009

departmental plans more ambitious than originally planned, and deliver on their increased objectives, are awarded a PTI Mark for use on stationery and their website.

Heads' Conference

A one-day conference for head teachers and policy-makers that provides a forum for reflection on issues about school leadership coupled with the opportunity to disseminate the conclusions to others within the profession.

Summer Schools

These are three-day residential events where top academics join teachers to re-inspire and to provide them with an introduction to the Schools Programme.

The Online Staffroom

The website <www.princes-ti.org.uk> holds an expanding library of resources for teachers including academic lecture podcasts, lesson plans, and schemes of work for use on a daily basis in the classroom. It is available to all staff in departments that are members of the Schools Programme.

Continuous Professional Development ("CPD")

One-day subject-based training for teachers by teachers which introduces the latest thinking in specific areas of the curriculum.

Achievements in 2008/09

The year has been another of growth for the PTI. During the past year, our focus has been to build the level of our activities and extend their reach within schools. We have done this in three ways, by:

- Extending our subject base to five by including Mathematics
- Adding seminars for head teachers so enabling us to reach this group as well as our existing constituencies of classroom teachers and heads of department
- Extending our impact within schools through our Schools Programme.

Highlights of the year are:

- Successful completion of the first year of the Schools Programme membership scheme, with 89% of participating departments confirming that their 2008/09 departmental plans had been more challenging than the preceding year's thanks to the PTI's influence.
- Awarding the PTI Mark to 72 departments (English, History and Science) in 50 schools for delivering on their stated objectives for the year.
- Organising a successful seminar for head teachers, resulting in a strong demand to make it a regular activity. The day also generated increased interest in our Schools Programme and CPD activities.
- For the first time, the delivery of two residential events in one year: one in the North-west at Crewe Hall, and one at Queens' College, Cambridge.
- The introduction of Mathematics at the Cambridge Summer School.
- The organisation of a successful first one-day CPD course in Geography.

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- 155% increase in teachers reached through our activities (203 in 2006/07, 684 in 2007/08 and 1,746 in 2008/09).
- A 40% increase in alumni schools to a total of 662 – approximately 15% of all the secondary schools in England.

The Schools Programme

We held our first Schools Programme “one-year-on day” on 15 July. It fulfilled three purposes:

- It enabled department heads to share experiences of increasing challenges over the past year
- It inspired department heads to set themselves challenging objectives for 2009/10
- It allowed the PTI - through one-to-one consultations - to judge how many departments had achieved the ambitious objectives they set themselves for 2008/09

The day was a huge success, with some 89% of the 75 departments present confirming that their 2008/09 departmental plan had been more challenging than the preceding year thanks to the PTI.

We are delighted to be awarding the PTI Mark to some 72 English, History and Science departments in 50 schools across the country as a result of their work which has increased the challenge of their teaching within the curriculum, further enthused pupils through subject-based extra-curricular activities, increased their staff's own specialist subject knowledge, and increased the number of subject-based links to departments in neighbouring schools and subject-based organisations

We estimate that these departments will have affected the education of some 40,000 children.

As the result of two Summer Schools, and two induction days designed to allow previous Summer School alumni access to the Schools Programme, the PTI goes into the 2009/10 academic year with 250 member departments.

The Heads' Conference

On 3 December 2008, we welcomed 40 leading head teachers from across the country to Kensington Palace. All those present were there because they had a track record of excellence – measured by their school being as an Ofsted Outstanding School, a National College of Leadership “Leading Edge” school, or a PTI Schools Programme school. Both the state and independent sector were represented.

The main conclusions of the day were that success in schools depends above all upon having:

- leaders with the confidence to use their freedom in pursuit of academic and pastoral excellence
- leaders with a willingness to innovate and take some risks, with clarity of vision, and good communication skills
- a positive outlook which makes staff feel valued and encouraged, and
- the courage to focus on realising the vision and shake off what one teacher called “the cold hand of conformity and compliance” engendered by education policies that are formulated in response to problems rather than being driven by a strong educational philosophy.

Everyone present expressed the feeling that, such was the convergence of views from successful practitioners from a wide variety of backgrounds, the PTI should disseminate the conclusions of the day. Accordingly a paper entitled *What Works In Schools* was published by the PTI and sent to the Secretary of State and other policy-makers, as well as those present that day. It was also made available on our website. Finally delegates endorsed the idea that the PTI should hold further conferences to explore the issues raised.

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The Summer Schools

For the first time, the PTI delivered two residential events. The first, for English and History teachers, was held at Crewe Hall in November as part of a deliberate strategy to rotate subjects out of Cambridge so reaching the widest geographical spread of schools. The second, in July 2009, was for Science and Mathematics teachers, and held at Queens' College, Cambridge.

Both attracted a large number of academics and eminent speakers, such as Philip Pullman and Jonathan Porritt. Once again the evaluations were extremely strong, although there was a slight reduction in the strength of those of Science and Mathematics. We believe that this may have been due in part to our reducing the duration of the event from four days to three.

The success of the Cambridge event was confirmed with almost every delegate wanting his or her school to join the Schools Programme, and there was a clearly expressed wish that the PTI should extend the Schools Programme and its programme of one-day events to Mathematics.

Typical quotes from delegates are:

"This has been a fantastic experience. The best CPD ever! I have had the opportunity to live, think and breathe my two favourite topics: mathematics and teaching"

"The panel discussion with the students at the beginning was excellent and the "correct" way to set the scene"

"I am excited about delivering Maths in new ways ... I am also looking forward to inspiring the other members of my department to build on and develop good practice."

One-day CPD courses and the Online Staffroom

2008/09 saw the introduction of Geography, and the development of the programme of charged-for CPD events. In total, the PTI ran 13 highly successful events, and we have been urged by teachers to put on more.

The online Staffroom continues to grow, with the library of podcasts now totalling 120 and with Schools Programme members now able to upload resources directly. A survey of the 2009 cohort revealed that 79% of them had uploaded resources, 61% of them had downloaded resources from colleagues, and 51% listened to PTI podcasts.

Public benefit

The PTI's aim is to improve the education of children in state schools in England. The trustees of the charity believe that all children, regardless of background or ability, are entitled to be taught a rigorous subject-based curriculum by teachers who are passionate and knowledgeable about their subject.

The trustees have referred to the Charity Commission's general guidance on this subject when reviewing the charity's aims and objectives, in administering its activities during the year and in planning its future activities. They believe that the activities described above demonstrate the benefit derived by the nation's children from the charity's activities.

The PTI's activities are open to all teachers in the United Kingdom. A modest charge is made for some of its events (e.g., the one-day CPD courses). These are intended to defray immediate costs and to discourage people from withdrawing at short notice.

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Trustees' Report for the year ended 30 September 2009

Financial commentary

During the period under review, there was Net Income of £35K compared to Net Expenditure of £20K in 2007/08. The Trustees consider this to be a satisfactory out-turn.

Total Incoming Resources amounted to £601K mainly in the form of grants from government sources (such as the Training & Development Agency £50K), and generous support from a range of foundations and grant-making trusts including the Hintze Family Charitable Foundation and the Clore Duffield Foundation. The President's Charities Foundation contributed £75K.

Total Resources Expended amounted to £566K (2007/08: £461K) with £254K being spent on the Summer Schools and the Heads Conference, and £108K on CPD and regional events. The cost of the Schools Programme was the same as the preceding year - £129K. In the absence of a major upgrade, Website costs fell by £11K to £26K.

At the year-end the Net Assets of the charity totalled £267K compared with £231K at 30 September 2008. At the time of writing more than one-half of the funding requirement for the current year has been raised in the form of cash or pledges.

Risk

At each meeting, the trustees review informally the risks to which the charity is exposed and they have put in place systems which minimise the exposure to these risks and mitigate the potential loss that might arise from them. Additionally, a formal Risk Register is in place, which is reviewed annually.

Reserves and Investment policies

At their first meeting in 2009, the Trustees adopted a reserves policy that seeks to maintain reserves at a level approximately equal to or greater than three months' ordinary running costs (approximately £125k). In addition, in 2010 they will adopt formally an investment policy that keeps the Trust's surplus funds on deposit with three AAA-rated (or similar) UK deposit takers.

Funders

The Trustees record their thanks to all the PTI's donors and supporters - both large and small. Particular gratitude is extended to Harvey McGrath for his generous support of the work of the charity which underpins all its work.

Future plans

Activities

Since its inception the PTI's priority has been to build a network of exemplar departments in state schools across the country, committed to improving their subject provision and who embrace the ideals of the PTI. The first cohort of 71 PTI Mark departments in 50 schools is a formal recognition of this network. At the same time, the PTI continues to extend its reach, and in 08/09 we reached 1,750 secondary teachers of History, English, Geography, Science and Mathematics, up 155% compared to the year before. Counting all schools that have participated in PTI events since the first Education Summer School in 2002, we have now reached some 660 schools, representing 15% of all schools in England.

In 2009/10, we intend to strengthen our impact in schools by:

- Rolling out Mathematics to the Schools Programme and one day CPD courses
- Building the number of departments participating in the Schools Programme and being awarded the PTI Mark

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- Building on the Heads' Conference by running a larger event that further probes some of the issues raised at the seminar in December 2008

Additionally, we are collaborating with Teach First to provide subject-based professional development both for existing members of the Teach First programme, and prior members through their Teach On venture, exploring opportunities to provide university accreditation for PTI professional development, and we are working with Cambridge University to develop a Master of Studies in Advanced Subject Teaching, initially in English and History.

Fund-raising

Our activities would not take place were it not for the generous support of our donors, who continue to support us in a challenging financial environment.

The continued growth in its core activities means that the PTI needs to devote greater resources to the generation of funds than in the past and develop a more formal fund-raising function. We are pleased to welcome Melanie Wilkinson who joined the charity as its first Development Manager on 21 September. During 2009/10, we are strengthening the fund-raising capacity of the PTI by setting up a development committee made up of supporters of the charity's work led by the Chairman.

Governance

We also plan to appoint an additional trustee with fund-raising experience to reinforce our existing strength in this area.

Audit information

So far as the Trustees are aware, at the time this Trustees' report is approved,

- a) there is no relevant information of which the auditors are unaware; and
- b) they have taken all relevant steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of this information.

Auditors

Messrs Kingston Smith LLP have indicated their willingness to continue in office as auditors and in accordance with the provisions of the Companies Act, the Trustees propose their re-appointment for a further period.

Statement of Trustees' responsibilities in relation to the Financial Statements

The trustees (who are also directors of the Prince's Teaching Institute for the purposes of company law) 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). Company law requires trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

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Trustees' Report for the year ended 30 September 2009

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

| This report was approved by the directors and charity trustees on 26 January 2010 and signed on their behalf by:



Harvey McGrath
Chairman

Independent Auditors' Report to the Members of The Prince's Teaching Institute

We have audited the financial statements of The Prince's Teaching Institute for the year ended 30 September 2009 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charitable company's members, as a body, in accordance with Section 495 and 496 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the charitable company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable 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

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities.

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, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Trustees' Annual 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 judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable 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.

Independent Auditors' Report to the Members of The Prince's Teaching Institute (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 30th September 2009 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.



James Cross, Senior Statutory Auditor
for and on behalf of Kingston Smith LLP
Statutory Auditor

Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 26 February 2010

The Prince's Teaching Institute
(An incorporated charity limited by Guarantee)
Statement of Financial Activities
Income and Expenditure Account
For the year ended 30th September 2009

	Unrestricted Funds 2009 £	Restricted Funds 2009 £	Total Funds 2009 £	Total Funds 2008 £
Incoming Resources				
Incoming resources from generated funds				
Voluntary income				
Agency	100,000	40,000	140,000	50,000
Other grants and donations	380,821	28,500	409,321	349,787
Investment income - bank interest	5,972	-	5,972	16,138
Incoming resources from charitable activities				
Summer Schools	1,900	-	1,900	1,880
Continuing Professional Development events	44,192	-	44,192	22,905
Total Incoming Resources	<u>532,885</u>	<u>68,500</u>	<u>601,385</u>	<u>440,710</u>
Resources Expended				
Cost of generating funds	14,094	-	14,094	-
Cost of charitable activities	2			
Schools Programme	128,750	-	128,750	129,197
Summer Schools and Heads' Conference	185,966	68,500	254,466	182,077
Continuing Professional Development	108,100	-	108,100	77,712
Website	26,302	-	26,302	37,076
Total Cost of Charitable Activities	<u>449,118</u>	<u>68,500</u>	<u>517,618</u>	<u>426,062</u>
Governance costs	3			
	34,491	-	34,491	34,963
Total Resources Expended	<u>497,703</u>	<u>68,500</u>	<u>566,203</u>	<u>461,025</u>
Net Income/(Expenditure) for the year	35,182	-	35,182	(20,315)
Balance brought forward at 1st October 2008	<u>231,395</u>	<u>-</u>	<u>231,395</u>	<u>251,710</u>
Balance carried forward at 30th September 2009	<u><u>266,577</u></u>	<u><u>-</u></u>	<u><u>266,577</u></u>	<u><u>231,395</u></u>

The Prince's Teaching Institute
(An incorporated charity limited by Guarantee)
Balance Sheet at 30th September 2009

	Note	2009 £	2009 £	2008 £	2008 £
Fixed assets					
Tangible fixed assets	5		<u>10,954</u>		<u>29,525</u>
			10,954		29,525
Current assets					
Debtors	6	107,584		178,213	
Cash at bank and in hand		<u>268,667</u>		<u>106,849</u>	
		376,251		285,062	
Creditors					
Amounts falling due within one year	7	<u>(120,628)</u>		<u>(83,192)</u>	
Net current assets			<u>255,623</u>		<u>201,870</u>
Net assets			<u>266,577</u>		<u>231,395</u>
Funds					
Restricted funds	8		-		-
Unrestricted funds	8		266,577		231,395
			<u>266,577</u>		<u>231,395</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board of Trustees
and authorised for issue on: 26 January 2010



Harvey McGrath, Chairman

Company Number 5910443

The Prince's Teaching Institute
(An incorporated charity limited by Guarantee)
Notes to the Financial Statements
For the year ended 30th September 2009

1 Accounting policies

The principal accounting policies, all of which have been applied consistently throughout the year, are set out below.

a) Basis of preparation of the financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice for Accounting and Reporting by Charities published in March 2005 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The charitable company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company. As permitted by Section 226 of the Companies Act 1985, a Statement of Financial Activities is presented in place of a Profit and Loss Account due to the nature of the charity's activities.

b) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

c) Incoming Resources

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

d) Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities.

Costs of generating funds comprise the expenditure on fundraising consultancy, as well as an apportionment of relevant staff costs, whereas cost of charitable activities include all directly attributable costs with regards to the schools programme, summer school, continuing professional development courses and the development of the website, as well as an apportionment of other costs as detailed below.

Governance costs comprise the expenditure on governance of the charity including audit fees, legal advice for trustees, costs of trustee meetings and an apportionment of relevant staff costs based on time spent on governance-related matters.

Overheads and other costs not directly attributable to a particular activity are apportioned over the relevant activities on the basis of management estimates of the amount attributable to that activity in the year, either by reference to staff time spent or ratio of the number of days of each type of activity, as appropriate. Irrecoverable VAT is included with the item of expenditure to which it relates.

e) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £100 are capitalised. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office Fittings and Equipment	10% on cost
Computer Equipment and website development	33% on cost

(f) Pensions

The charitable company does not operate a pension scheme but contributes to employees' personal pension arrangements. Contributions are charged to the Statement of Financial Activities on an accruals basis.

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2 Cost of Charitable Activities

Activities direct costs
 Schools Programme
 Summer Schools and Heads' Conference
 Continuing Professional Development (CPD)
 Website Development

	Schools Programme	Summer Schools	CPD	Website	Total Funds 2009	Total Funds 2008
	£	£	£	£	£	£
	24,196	-	-	-	24,196	15,782
	-	151,455	-	-	151,455	95,906
	-	-	37,236	-	37,236	23,003
	-	-	-	4,764	4,764	-
	<u>24,196</u>	<u>151,455</u>	<u>37,236</u>	<u>4,764</u>	<u>217,651</u>	<u>134,691</u>
	65,427	58,938	47,807	14,793	186,965	148,933
	19,560	27,596	6,580	1,596	55,332	66,100
	12,188	10,263	10,263	3,207	35,921	55,988
	6,946	5,849	5,849	1,828	20,472	19,195
	433	365	365	114	1,277	1,155
	<u>104,554</u>	<u>103,011</u>	<u>70,864</u>	<u>21,538</u>	<u>299,967</u>	<u>291,371</u>
	<u>128,750</u>	<u>254,466</u>	<u>108,100</u>	<u>26,302</u>	<u>517,618</u>	<u>426,062</u>

Support costs
 Wages and salaries
 Consultancy
 General office costs
 Depreciation charges
 Auditor fees - non-audit services

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3 Governance Costs		2009	2008
		£	£
Wages and salaries		11,544	15,491
Consultancy		11,000	7,294
General office costs		4,128	5,468
Auditors' remuneration: - current year		5,000	4,800
- prior year underprovision		1,450	588
Non-audit services		1,369	1,322
		<u>34,491</u>	<u>34,963</u>

4 Staff Costs (including directors' emoluments)		2009	2008
		£	£
Wages and salaries		163,717	136,854
Social security costs		18,791	15,258
Contributions to personal pension schemes		15,493	12,312
		<u>198,001</u>	<u>164,424</u>

One employee (2008: one) received remuneration between £90,000 and £100,000 during the year. Pension contributions of £10,236 (2008: £12,023) were paid on behalf of this individual.

The average number of people employed by the company during the year were as follows:

		2009	2008
Charitable activities		2.4	2.4
Governance		0.6	0.2
		<u>3.0</u>	<u>2.6</u>

No trustees received or waived any remuneration in the year or were reimbursed any expenses within the year (2008: Nil).

5 Tangible Fixed Assets		Website and Computer Equipment	Office Fittings and Equipment	Total
Cost		£	£	£
At 1st October 2008		64,046	3,653	67,699
Additions		<u>2,564</u>	<u>799</u>	<u>3,363</u>
At 30th September 2009		<u>66,610</u>	<u>4,452</u>	<u>71,062</u>
Depreciation				
At 1st October 2008		37,951	223	38,174
Charge during the year		<u>21,604</u>	<u>330</u>	<u>21,934</u>
At 30th September 2009		<u>59,555</u>	<u>553</u>	<u>60,108</u>
Net Book Value				
At 30th September 2009		<u>7,055</u>	<u>3,899</u>	<u>10,954</u>
At 30th September 2008		<u>26,095</u>	<u>3,430</u>	<u>29,525</u>

6 Debtors		2009	2008
		£	£
Prepayments		3,543	3,064
Accrued Income		104,041	175,000
Other Debtors		-	149
		<u>107,584</u>	<u>178,213</u>

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7	Creditors: Amounts falling due within one year		2009 £	2008 £	
	Trade creditors		60,039	43,119	
	Other creditors		46,030	29,873	
	Accruals		12,160	10,200	
	Pensions creditor		2,399	-	
			<u>120,628</u>	<u>83,192</u>	
8	Movements in funds	at 1st October 2008 £	Incoming Resources £	Outgoing Resources £	at 30th September 2009 £
	Restricted Funds				
	Summer School	-	63,500	(63,500)	-
	Heads' Conference	-	5,000	(5,000)	-
	<i>Total restricted funds</i>	<u>-</u>	<u>68,500</u>	<u>(68,500)</u>	<u>-</u>
	Unrestricted General Funds	<u>231,395</u>	<u>532,885</u>	<u>(490,203)</u>	<u>274,077</u>
	Total Funds	<u>231,395</u>	<u>601,385</u>	<u>(558,703)</u>	<u>274,077</u>

The Summer School restricted fund relates to funding received specifically for the June 2009 Summer school.

The Heads Seminar restricted fund relates to funding received specifically for the Heads' Conference held in December 2008.

9 Transactions involving trustees and related parties

During the year, Harvey McGrath, a director and charity trustee of The Prince's Teaching Institute, made donations to the Institute totalling £170,000.

Martin Williams, Company Secretary of The Prince's Teaching Institute, invoiced the Institute £9,300 for his services as a consultant during the year, £6,600 of which was still owed to him at the year end. These transactions were entered into on an arm's length basis.

Bernice McCabe, Co-Director of The Prince's Teaching Institute, invoiced the Institute £23,250 for her services as a consultant during the year, £6,600 of which was still owed to her at the year end. These transactions were entered into on an arm's length basis.