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 2011
The Prince's Teaching Institute
(An incorporated charity limited by Guarantee)
Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charity Information</td>
<td>ii</td>
</tr>
<tr>
<td>Trustees' Report</td>
<td>iii-xiii</td>
</tr>
<tr>
<td>Independent Auditors' Report</td>
<td>xiv -xv</td>
</tr>
<tr>
<td>Statement of Financial Activities</td>
<td>xvi</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td>xvii</td>
</tr>
<tr>
<td>Notes to the Financial Statements</td>
<td>xviii - xxii</td>
</tr>
</tbody>
</table>
The Prince's Teaching Institute
Trustees' Report for the year ended 30 September 2011

The directors and charity Trustees (the "Trustees") of The Prince's Teaching Institute (the "PTI") present their fifth report together with the audited financial statements of the charity for the year to 30 September 2011. 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.
The Prince’s Teaching Institute
Trustees' Report for the year ended 30 September 2011

Reference 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 40 Grosvenor Gardens, London SW1W 0EB

President

HRH The Prince of Wales KG KT GCB OM

Directors and charity Trustees

Alan Kelsey
Harvey McGrath (Chairman)
Dr. Katharine Pretty
Peter Wallace (appointed 7 March 2011)
Sir Michael Wilshaw (resigned 28 September 2011)

Company secretary

Julia Bagguley

Co-directors

Bernice McCabe
Christopher Pope

Accountants and auditors

Kingston Smith LLP
Devonshire House
60 Goswell Road
London EC1M 1AD

Legal advisers

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

Bankers

HSBC Bank plc
69 Pall Mall
London SW1Y 5EY

Principal address

40 Grosvenor Gardens
London SW1W 0EB

The foregoing legal and administrative information correct as at 24 January 2012
The Prince's Teaching Institute
Trustees' Report for the year ended 30 September 2011

Structure, governance and management

Governing document and membership

The PTI is a registered company limited by guarantee not having a share capital. Its governing
document is the company's Memorandum & Articles of Association. The company was incorporated
on 18 August 2006 and effectively commenced trading on 1 January 2007. For the time being all the
members of the company are the 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 an
insufficiency of funds.

Recruitment, appointment and induction of Trustees

The Trustees of the charity are also, for the purposes of company law, directors and members of the
company. The number of Trustees may not be less than three or 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. Harvey McGrath has served as Chairman throughout the
financial year. He is chairman of Prudential plc, the London Development Agency, Chairman of
Governors of Birkbeck College, University of London.

Membership of the Trustee body

The current Trustees are listed at the beginning of this Report and have served for the year under
review, unless otherwise stated.

During the year, Alan Kelsey was re-appointed, under Article 34, to serve as a Trustee for a term of a
further 3 years from 6 November 2010; Harvey McGrath was also re-appointed, under Article 34, for a
further 3 years from 26 June 2011.

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.
The Prince’s Teaching Institute
Trustees’ Report for the year ended 30 September 2011

Trustees

The Trustee body administers the PTI. It met four times during the period under review. At no time during the year did any Trustee have a beneficial interest in the charity save that relating to Dr. Katharine Pretty. The 2011 Summer Schools were held at Homerton College, where Dr. Pretty is Principal. At all times negotiations were held at arms length in order to avoid any conflict of interest between the College and the Charity.

The Trustees have the following board committees which report to the Trustees:

- the Executive Committee whose purpose is to monitor the on-going business of the charity
- the Academic Steering Group whose purpose is to direct the PTI’s academic strategy
- the Development Committee whose purpose is to assist the charity with fundraising
- the Remuneration Committee, established during the year, whose purpose is to monitor staff salaries and consultancy fees.

Organisation

The Trustees have appointed two Co-directors: Christopher Pope manages the day-to-day operations of the PTI on a full time basis and Bernice McCabe leads academic policy through a part time consultancy agreement; she is Headmistress of North London Collegiate School. They are assisted by a Senior Operations Manager (Patrick Wigg), a Development Manager (Dhivya Srinivasan), an Events Manager (Sarah Shaw) and an Administrator (Eleanor Millington).

Academic activities are led by a group of practising teachers acting as consultants. Christopher Pope, Patrick Wigg, Dhivya Srinivasan, Sarah Shaw and Eleanor Millington are full-time employees.

Julia Bagguley has acted as Honorary Secretary on a voluntary basis.

The Prince’s Charities’ Group (the “Charities Group”).

The PTI is one of a 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 agendas and minutes for meetings of the Trustees
- A statement of matters reserved to the Trustees - a revised version was adopted during the year
- Formation of board committees with terms of reference approved by the Trustees, formal agendas and minutes for meetings and established reporting lines. New terms of reference have been introduced during the year for the Academic Steering Group, the Development Committee and the newly established Remuneration Committee
The Prince’s Teaching Institute  
Trustees’ Report for the year ended 30 September 2011

- A formal Risk Register, reviewed on a regular basis.  

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

Objectives, activities and achievements

Objectives

The PTI is committed to improving the education of children in state schools in the United Kingdom. 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 pursing this object by working with secondary school teachers, and the charity 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 Kate Adie, Sir Christopher Hum, Gervase Phinn and Dan Snow), 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 committees 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

With these objectives in mind, the PTI helps teachers to learn from the example of the best of their peers re-inspiring them to give their best in the classroom. Working in English, History, Geography, Mathematics, Science and Modern Foreign Languages, the PTI offers:

**The Schools Programme**

A membership scheme for state school departments which are committed to challenging and extending all pupils, regardless of ability, with rich subject provision. As well as benefitting from priority booking and discounts to PTI events, all staff in Schools Programme departments have access to the private Staffroom area of the website (www.princes-ti.org.uk) which 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.

Those which make their departmental plans more ambitious than originally planned, and deliver on their increased objectives, are awarded a PTI Mark for use on school stationery and their website at the end of their first year of membership. Induction is via a Head of Department, or delegated representative, attending a Summer School.

Page vi
The Prince's Teaching Institute
Trustees' Report for the year ended 30 September 2011

Summer Schools

Three-day residential events where top academics join teachers, typically Heads of Department, to re-inspire them and provide a stimulating introduction to the Schools Programme.

Schools Leadership Programme

The 2010/11 academic year marked the launch of the Schools Leadership Programme following the unanimous request from Headteachers attending the 2011 Heads' Residential. The programme will bring together schools who wish to undertake projects in one of three areas:

- fostering rigorous curriculum choices,
- staff recruitment and development and
- leadership supporting excellent teaching and students' deep learning.

Heads’ Residential

A two day conference for head teachers and policy-makers that provides a forum for reflection on issues about school leadership. Headteachers who attend the Heads’ Residential have the opportunity to join the Schools Leadership Programme.

Continuous Professional Development ("CPD")

The PTI continued its one day CPD courses in 2010/11, with a number of prestigious speakers including Simon Sebag Montefiore and Dr Simon Boxall.

These one-day subject-based training courses, run by teachers, with administrative help from the PTI office, introduce the latest thinking in specific areas of the curriculum. They are an important way to reach teachers who tell us that they feel starved of the kind of high quality subject-based professional development that the PTI provides. The evaluations are very strong – with some 98% of teachers confirming that their attendance at the courses will have an impact on their pupils.

Achievements in 2010/11

Summary

The PTI posted another year of extremely successful growth in 2010/11. 880 teachers attended a PTI event (827 in 09/10), and there are now 365 departments (228 in 09/10) in 197 schools (132 in 09/10) participating in the Schools Programme. PTI's overall teacher reach grew to 2,650 (1,900 in 09/10) and we estimate to have reached 140,000 children in 2010/11 (110,000 in 09/10).

Notable successes of the year have been:

- The first 3-day Headteachers' Residential and the launch of the Schools Leadership Programme. Headteachers attending the residential were unanimous in commending the PTI on the initiative, stating that there was a dearth of support for school management that allowed them to focus their leadership activities on fostering rigorous curriculum choices, staff recruitment and development, and leadership that supports excellent teaching and students' deep learning.

- The introduction in June of Modern Foreign Languages (MFL). Delegates attending the first MFL Summer School rated the Summer School very highly, and were unanimous in asking the PTI to include MFL in its Schools Programme and one day CPD course offerings.

- For the third year in a row, 90% of participating Schools Programme departments have increased the challenge of the work they do.
The Prince’s Teaching Institute
Trustees’ Report for the year ended 30 September 2011

The PTI invited an independent review of the Schools Programme from former senior Ofsted inspectors in English and Science; they reviewed materials available and attended calibrations days in both subjects. Their comments were positive and their constructive suggestions for improvement have been actively addressed.

- Ratification by the University of Cambridge of a groundbreaking new Master of Studies in Advanced Subject Teaching. Initially only available to teachers of English and History, those enrolling on The Prince’s Cambridge Programme for Teaching will, uniquely, have their research supervised by both the Cambridge faculties of Education and English or History.

Further details of these initiatives and achievements are given below.

First Headteachers’ Residential and launch of the Schools Leadership Programme

The 2010/11 academic year marked the launch of the Schools Leadership Programme following the very successful first 3-day Headteachers’ Residential in January 2011. After three years of running one-day Headteacher conferences, the PTI took the decision to run a 3-day residential and ask Headteachers if there was appetite for the PTI to launch a Schools Leadership Programme, modelled on the existing Schools Programme for subject departments.

The result was resoundingly positive. The residential, held at Madingley Hall near Cambridge, was oversubscribed and received strong evaluations, with 100% of delegates stating that they felt the aims were well met, that the speakers were good and that the discussion had been constructive.

There was also unanimity that the PTI should launch a Schools Leadership Programme. The Heads present determined that although there were existing programmes for Headteacher training, these typically focused on generic leadership skills. What the Heads felt was needed to complement the existing provision was a forum to foster good leadership in the following key areas of management of schools:

- Fostering rigorous curriculum choices
- Staff recruitment and development
- Leadership supporting excellent teaching and students’ deep learning

As a result, the PTI is working with the Headteachers who attended the residential to develop a Schools Leadership Programme that focuses on these areas.

Summer Schools

The PTI held two residential courses in 2010/11. In November 2010, we returned to Crewe Hall to bring Maths and Science to the North West for the first time.

The second, held at Homerton College, Cambridge, was our first devoted to Modern Foreign Languages (MFL). Demand was overwhelming, with the 70 places filled within 2 weeks of bookings opening, and the event received as strong evaluations as any Summer School previously held. As well as departing the course re-inspired to attract a greater number of their pupils to study MFL, the delegates were unanimous in requesting that the PTI establish the Schools Programme and one-day activities in Modern Foreign Languages, in the same way as we do in our existing subjects. This we intend to do.

A strong theme emerging from the Summer School was summed up by the following delegate quotes:

"Too often, I get bogged down on teaching grammar or basic vocabulary. I have heard many ideas and methods for introducing culture. As a result of this, I am more inspired to teach culture and not just the ‘bread and butter’ of language learning.”
The Prince’s Teaching Institute
Trustees’ Report for the year ended 30 September 2011

"It has been a unique experience to re-engage with why I chose teaching as a career and this can only be of huge benefit to my department and my students."

The final panel of eminent policy-makers included Jon Coles, Director General for Education Standards at the Department for Education, who chairs the National Curriculum Review panel, who was pleased to receive direct feedback from teachers on their views on the curricular and assessment reform needed in Modern Foreign Languages.

The Schools Programme

Heads of Department who attend our Summer Schools can choose to affiliate their departments to the Schools Programme. This programme has grown rapidly, from 88 English, History and Science departments in 08/09, to 297 departments of English, History, Geography, Science and Mathematics in July 2011. Yet, despite this growth in scale and the number of subjects, the Schools Programme continues to achieve excellent results. Following one-to-one consultations with all 297 participating Heads of Departments, we awarded the PTI Mark to 90% of participating departments for:

- Increasing the challenge of their teaching within the curriculum
- Further enthusing pupils through subject-based extra-curricular activities
- Increasing their staff’s own specialist subject knowledge
- Increasing the number of subject-based links to departments in neighbouring schools and subject-based organisations

2010/11 is now the third consecutive year in which 90% of participating departments have increased the challenge of their work. The Schools Programme is proving to be a powerful model for school improvement: we estimate that some 140,000 children have benefitted from more rigorous and enriching subject provision in 2010/11 alone.

External Evaluation of the Schools Programme

In order to provide an objective perspective on the Schools Programme, the PTI invited two senior inspectors, recently retired from Ofsted, to evaluate the Science and English streams of the Programme. Their reviews were overwhelmingly positive, and two quotes were:

"The principled approach of the PTI builds on the belief that subjects and subject expertise are important in raising standards in education. It is also evident that the provision offered through the PTI is for teachers, by teachers. This characteristic of the way PTI works is greatly valued by teachers who become members of the Schools Programme. The peer to peer nature of activities is esteemed by teachers. They believe the flexibility and responsiveness of the PTI’s provision allows them to focus on the priorities they have for their schools and students. Teachers appreciate the way the PTI does not impose its own ideas and methodologies on members but rather provides professional challenge to their ideas and plans. This challenge is provided in a rational and supportive way... Interviews with teachers and consultants show very positive attitudes to the PTI and make clear how important the principled approach is in building teachers’ confidence and engaging their enthusiasm. The PTI is exemplary in the way administration is both efficient and effective yet unobtrusive."

Evaluation of the Schools Programme Science strand, Ian Richardson

"A key element of the Programme, that it is ‘by teachers for teachers’, was especially noticeable, as were the teachers’ enthusiasm for teaching English and the way in which the Schools Programme had reinvigorated them and their ideas. The formal process of requiring the participating teachers to set and review objectives for their English work in their schools has played an essential role in supporting the teachers to take forward the PTI priorities. The setting of objectives, together with the
The Prince’s Teaching Institute
Trustees’ Report for the year ended 30 September 2011

one-to-one meetings to review them, is successful in encouraging reflection, review and action to improve the quality of the curriculum.”

Evaluation of the Schools Programme English strand, Janet Brennan

The Prince’s Cambridge Programme for Teaching and Master of Studies

In July 2011, the University of Cambridge ratified a new Master’s degree – the Master of Studies in Advanced Subject Teaching.

This MSt is unique in focusing on subject knowledge as well as pedagogy. Initially available for teachers of English and History, the degree will be unlike existing Education Masters degrees as the teachers will have supervision not only from the Faculty of Education but also directly from the Faculties of English and History. Designed as a distance-degree specifically for teachers, participants will study aspects of the teaching and assessment in their subject with members of the Faculty of Education, and then proceed to a second-year dissertation which will be entirely supervised by the Faculties of English or History. The degree is run by the University of Cambridge Institute of Continuing Education. As well as preparing students for possible future research leading to the degree of EdD or PhD, the course is especially useful as a career enhancement for teachers and potential subject leaders.

Fundraising

Following the establishment of the Development Committee in February 2010 and of a full-time Development Manager in October 2010, the charity’s fundraising activities have become more systematic. In 2010/11 a number of events were organised to introduce potential donors to the work of the charity, and a dinner was held in November 2010 to thank donors to the charity. A termly newsletter has also been instigated, whose intention is to notify new donors and keep existing supporters notified of the charity’s activities.

During the year, Ajmal Rahman and Dr Curly Moloney resigned from the Development Committee, and the Trustees would like to thank them both for their work and assistance in raising funds for the charity. We are very pleased to welcome Nicholas Hofgren and Charles Wigoder to the committee.

Public benefit

The PTI’s aim is to improve the education of children in state schools in the UK. 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.

Financial commentary

During the period under review, there was Net Income of £60k compared to Net Income of £65k in 2009/10. The Trustees consider this to be a satisfactory out-turn.

Total incoming Resources amounted to £866k (2009/10: £856k). £100k of income was earned from admissions to events (2009/10: £80k) and £762k (2009/10: £564k) of voluntary income was raised mainly in the form of generous philanthropic donations from a large number of individuals and charitable trusts.
The Prince’s Teaching Institute
Trustees’ Report for the year ended 30 September 2011

The PTI received a restricted donation of £250k to fund the induction into and Schools Programme membership of Modern Foreign Languages departments. £105k of this was expended on inducting these departments at the July Summer School, and the remaining £145k is deferred income for future years’ members of the Schools Programme. The charity received £15k of deferred income from other sources, bringing the total of deferred income to £160k in total.

In addition, £155k of advance income towards activities in 2010/11 and future years was raised.

Total Resources Expended amounted to £806k (2009/10: £591k). £238k (2009/10: £161k) was spent on two Summer Schools (compared to one in 2009/10), £209k (2009/10: £158k), on administration of the growing Schools Programme, £120k (2009/10: £124k) on one day CPD events, and £57k on the first Heads’ Residential, compared to the £29k in 2009/10 on the one day Heads’ Conference.

The website has undergone an upgrade, including a new Staffroom section which will allow teachers easier access to and better search facilities to the growing library of PTI lecture podcasts and teacher resources. This resulted in £48k costs compared to £34k in 2009/10.

The cost of generating funds totalled £108k (2009/10: £52k) with the establishment of a full-time fundraising Development Manager position and the November 2010 thank you dinner for donors.

Governance costs decreased to £26k (2009/10: £32k) thanks to Julia Bagguley providing these services on a voluntary basis.

General office costs increased to £100k (2009/10: £63k). These included £17k of one-off costs such as legal and professional fees related to the move of the charity’s office to 40 Grosvenor Gardens.

At the year-end the Net Assets of the charity totalled £392k compared with £332k at 30 September 2010.

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 policy

At their first meeting in 2009, the Trustees adopted a reserves policy that maintains reserves of a minimum of three months’ ordinary running costs (currently approximately £150k). At the year end the reserves totalled £392k, comfortably meeting the charity’s objectives. In addition, it was also decided that cash levels should not fall below a minimum of three months’ ordinary running costs. At the year end, cash totalled £650,725 thus this objective is also being comfortably met.

Investment policy

The trustees have formally adopted an investment policy that keeps the Trust’s surplus funds on deposit with three AAA-rated deposit takers.

Funders and contributors

The Trustees record their thanks to all the PTI’s donors and supporters - both large and small: the staff, consultants and volunteers who have worked extremely hard to achieve a successful year for the charity. The trustees wish to record particular gratitude to Harvey McGrath for his generous support of the work of the charity.
The Prince’s Teaching Institute
Trustees’ Report for the year ended 30 September 2011

Future plans

2010/11 has confirmed the strength of the PTI’s model of intervention with subject Heads of Departments. Focusing on teachers’ subject knowledge and enthusiasm, we have been successful in encouraging them to go the extra mile to ensure that all their children, irrespective of background or ability, receive an inspirational, rigorous and challenging education. Thanks to the increasing breadth of our activities, we estimate some 140,000 pupils benefited from our activities in 2010/11 alone. These activities now have the potential to be complemented by the new Schools Leadership Programme.

Since the year end the PTI has been seeking to deepen its engagement in schools. By working with both Heads of Departments and Headteachers, we are working to bring greater support to schools, and achieve more ambitious outcomes for their students. In 2011/12 the PTI will therefore focus on the following key areas:

- Fully establish the Schools Leadership Programme with a trial cohort of 40 schools and recruit more schools to join by running a further Headteachers’ Conference in February 2012.

- Run a pilot joint venture with the National College and Training and Development Agency for Newly Qualified Teachers and in-school teacher trainees. The courses began in November 2011 with the aim to explore the impact of subject knowledge training with newly qualified teachers.

- Recruit, with Cambridge University Institute of Continuing Education, a first cohort of students to The Prince’s Cambridge Programme for Teaching Master of Studies.

- Ask schools to contribute a greater amount towards the cost of running the Schools Programme and residential courses. With the strong growth in membership of the Schools Programme and with many government policy changes allowing schools greater control of their school budgets, the Trustees decided, after consultations with a sample of existing Schools Programme schools and external consultancy recommendations, that the charity will in 2011/12 introduce a charge for Summer Schools and a Schools Programme affiliation fee. Depending on the level of participation, these fees (on a sliding scale of £495 to £995 per annum) represent under 30% of the total costs of the services provided.

- Extend the Schools Programme and one day CPD programme to include Modern Foreign Languages.

- Commission an external evaluation agency to begin a longitudinal study of the impact of the PTI’s work on teachers and pupils. It is expected that the evaluation be conducted over a three year period, beginning with the 2013/14 academic year, but that evaluation parameters be defined during 2012/13 in preparation.

- We look forward to continuing to build a network of exemplar schools across the country that will improve the teaching available to over 600,000 children in five years’ time.

In addition, 2012 marks 10 years since the first Prince of Wales Education Summer School. We will be using this anniversary to run a marketing and communications campaign that will strengthen the PTI’s strong reputation in the eyes of the teaching community, and which will continue to raise awareness of the PTI in the donor community.

As well as increasing the proportion of earned income that we receive from schools, the charity will be pursuing a number of fundraising initiatives in order to extend the base of donors. Using the occasion of 2012 being 10 years since the first Prince of Wales Education Summer School, a Patrons scheme will be launched to encourage regular giving over a 5-year period.

The PTI’s activities would not take place were it not for the generous support of our donors, who
continue to support us in an extremely challenging financial environment. We are grateful for their generosity.

**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 that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and 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 departures which have been disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy the financial position of the charity at any time and which 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provision of Part 15 of Companies Act 2006.

This report was approved by the directors and charity Trustees on 24th January 2012, and signed on their behalf by:

\[Signature\]

**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 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008), United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 Part 16 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

As explained more fully in the Trustees' Responsibilities Statement set out on page xiii, the trustees' (who are directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees’ Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies’ exemption in preparing the trustees’ report.

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

Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 27 January 2012
## The Prince’s Teaching Institute
(An incorporated charity limited by Guarantee)

**Statement of Financial Activities**
(incorporating an Income and Expenditure Account)

For the year ended 30th September 2011

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted Funds</th>
<th>Restricted Funds</th>
<th>Total Funds</th>
<th>Total Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Note</strong></td>
<td><strong>2011</strong></td>
<td><strong>2011</strong></td>
<td><strong>2011</strong></td>
<td><strong>2010</strong></td>
</tr>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

### Incoming Resources

**Incoming resources from generated funds**

**Voluntary income**

- Grants from institutions and charitable trusts: £414,764
- Other grants and donations: £171,066
- Investment income - bank interest: £3,534
- Other income: £1,304

**Incoming resources from charitable activities**

- Summer Schools: £13,310
- Continuing Professional Development events: £66,052
- Heads Residential: £20,145

**Total Incoming Resources**: £690,175

<table>
<thead>
<tr>
<th></th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Incomes (before cost)</strong></td>
<td><strong>176,030</strong></td>
</tr>
<tr>
<td><strong>Total (after cost)</strong></td>
<td><strong>866,205</strong></td>
</tr>
<tr>
<td><strong>Increase</strong></td>
<td><strong>655,550</strong></td>
</tr>
</tbody>
</table>

### Resources Expended

**Cost of generating funds**: £107,839

**Cost of charitable activities**: £496,206

| **Schools Programme**         | £191,072   |
| **Summer Schools**            | £94,699    |
| **Continuing Professional Development** | £115,629 |
| **Heads’ Residential**        | £50,779    |
| **Website**                   | £44,027    |

**Total Cost of Charitable Activities**: £672,236

**Governance costs**: £25,869

| **Total Resources Expended**  | £629,914   |
| **Incomes (before cost)**     | £176,030   |
| **Total (after cost)**        | £805,944   |
| **Increase**                  | £590,552   |

**Net Income for the year**: £60,261

**Balance brought forward at 1st October 2010**: £331,575

**Balance carried forward at 30th September 2011**: £391,836
The Prince's Teaching Institute  
(An incorporated charity limited by Guarantee)  
Balance Sheet at 30th September 2011

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>6</td>
<td>8,380</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5,909</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>7</td>
<td>21,591</td>
</tr>
<tr>
<td></td>
<td></td>
<td>55,304</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>650,725</td>
<td>426,594</td>
</tr>
<tr>
<td></td>
<td>672,316</td>
<td>481,898</td>
</tr>
<tr>
<td><strong>Creditors</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amounts falling due within one year</td>
<td>8</td>
<td>(288,860)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(156,232)</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>383,456</td>
<td>325,666</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>391,836</td>
<td>331,575</td>
</tr>
<tr>
<td><strong>Funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted funds</td>
<td>9</td>
<td>-</td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td>9</td>
<td>391,836</td>
</tr>
<tr>
<td></td>
<td>391,836</td>
<td>331,575</td>
</tr>
</tbody>
</table>

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: 24th January 2012.

Harvey McGrath, Chairman

Companies House no: 05910443

Page xvii
The Prince's Teaching Institute  
(An incorporated charity limited by Guarantee)  
Notes to the Financial Statements  
For the year ended 30th September 2011

1 Accounting policies

The principal accounting policies, which have been applied consistently throughout the year, are as follows:

a) Basis of preparation of the financial statements

The financial statements have been prepared under the historical cost convention and under the going concern principle, 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 394 of the Companies Act 2006, 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.

Overheads and other support 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.

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 to reflect time spent on governance-related matters.

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:

<table>
<thead>
<tr>
<th>Description</th>
<th>Depreciation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Fittings and Equipment</td>
<td>20% on cost</td>
</tr>
<tr>
<td>Computer Equipment and website development</td>
<td>33% on cost</td>
</tr>
</tbody>
</table>

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.

g) Operating leases

All payments under operating leases are charged to the statement of financial activities in the year in which they fall due.
## 2 Cost of Charitable Activities

<table>
<thead>
<tr>
<th>Activity</th>
<th>Schools Programme</th>
<th>Summer Schools</th>
<th>CPD</th>
<th>Heads' Residential</th>
<th>Website</th>
<th>Total Funds 2011</th>
<th>Total Funds 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activities direct costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Schools Programme</td>
<td>85,135</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>85,135</td>
<td>48,797</td>
</tr>
<tr>
<td>Summer Schools</td>
<td>-</td>
<td>131,117</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>131,117</td>
<td>85,922</td>
</tr>
<tr>
<td>Continuing Professional Development (CPD)</td>
<td>-</td>
<td>-</td>
<td>49,912</td>
<td>-</td>
<td>-</td>
<td>49,912</td>
<td>57,372</td>
</tr>
<tr>
<td>Heads' Residential</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>20,313</td>
<td>-</td>
<td>20,313</td>
<td>11,449</td>
</tr>
<tr>
<td>Website Development</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>26,410</td>
<td>26,410</td>
<td>12,785</td>
</tr>
<tr>
<td></td>
<td></td>
<td>85,135</td>
<td>131,117</td>
<td>49,912</td>
<td>20,313</td>
<td>26,410</td>
<td>312,887</td>
</tr>
<tr>
<td>Support costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wages and salaries</td>
<td>76,772</td>
<td>61,732</td>
<td>49,166</td>
<td>22,655</td>
<td>15,353</td>
<td>225,678</td>
<td>193,223</td>
</tr>
<tr>
<td>Consultancy</td>
<td>20,007</td>
<td>23,443</td>
<td>3,502</td>
<td>5,479</td>
<td>2,362</td>
<td>54,793</td>
<td>53,851</td>
</tr>
<tr>
<td>General office costs</td>
<td>27,114</td>
<td>21,363</td>
<td>17,255</td>
<td>9,038</td>
<td>4,108</td>
<td>78,878</td>
<td>43,115</td>
</tr>
<tr>
<td></td>
<td>123,893</td>
<td>106,538</td>
<td>69,923</td>
<td>37,172</td>
<td>21,823</td>
<td>359,349</td>
<td>290,189</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>209,028</td>
<td>237,655</td>
<td>119,835</td>
<td>57,485</td>
<td>48,233</td>
<td>672,236</td>
<td>506,514</td>
</tr>
</tbody>
</table>
### 3 Cost of generating funds

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>£54,488</td>
<td>£23,142</td>
</tr>
<tr>
<td>General office costs</td>
<td>£15,611</td>
<td>£14,628</td>
</tr>
<tr>
<td>Direct fundraising costs</td>
<td>£37,740</td>
<td>£14,008</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£107,839</strong></td>
<td><strong>£51,778</strong></td>
</tr>
</tbody>
</table>

### 4 Governance Costs

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>£13,779</td>
<td>£12,996</td>
</tr>
<tr>
<td>Consultancy</td>
<td>£5,417</td>
<td>£4,860</td>
</tr>
<tr>
<td>General office costs</td>
<td>£6,600</td>
<td>£6,304</td>
</tr>
<tr>
<td>Auditors' remuneration: - current year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- prior year underprovision</td>
<td>£600</td>
<td>£1,172</td>
</tr>
<tr>
<td>- non-audit services</td>
<td>£73</td>
<td>£28</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£25,869</strong></td>
<td><strong>£32,260</strong></td>
</tr>
</tbody>
</table>

### 5 Staff Costs (including directors' emoluments)

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>£247,315</td>
<td>£191,711</td>
</tr>
<tr>
<td>Social security costs</td>
<td>£28,822</td>
<td>£21,577</td>
</tr>
<tr>
<td>Contributions to personal pension schemes</td>
<td>£17,806</td>
<td>£16,073</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£293,943</strong></td>
<td><strong>£229,361</strong></td>
</tr>
</tbody>
</table>

One employee (2010: one) received remuneration between £90,000 and £100,000 during the year. Pension contributions of £13,560 (2010: £10,052) were paid on behalf of this individual. No other employees received remuneration in excess of £80,000.

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

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charitable activities</td>
<td>5.8</td>
<td>3.8</td>
</tr>
<tr>
<td>Governance</td>
<td>0.2</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6.0</td>
<td>4.0</td>
</tr>
</tbody>
</table>

No trustees received or waived any remuneration in the year or were reimbursed any expenses during the year (2010: Nil).

### 6 Tangible Fixed Assets

<table>
<thead>
<tr>
<th></th>
<th>Website and Computer Equipment £</th>
<th>Office Fittings and Equipment £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1st October 2010</td>
<td>£67,110</td>
<td>£4,452</td>
<td>£71,562</td>
</tr>
<tr>
<td>Additions</td>
<td>£2,634</td>
<td>£3,177</td>
<td>£5,811</td>
</tr>
<tr>
<td><strong>At 30th September 2011</strong></td>
<td>£69,744</td>
<td>£7,629</td>
<td>£77,373</td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1st October 2010</td>
<td>£64,210</td>
<td>£1,443</td>
<td>£65,653</td>
</tr>
<tr>
<td>Charge during the year</td>
<td>£2,334</td>
<td>£1,006</td>
<td>£3,340</td>
</tr>
<tr>
<td><strong>At 30th September 2011</strong></td>
<td>£66,544</td>
<td>£2,449</td>
<td>£68,993</td>
</tr>
<tr>
<td><strong>Net Book Value</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 30th September 2011</td>
<td>£3,200</td>
<td>£5,180</td>
<td>£8,380</td>
</tr>
<tr>
<td>At 30th September 2010</td>
<td>£2,900</td>
<td>£3,009</td>
<td>£5,909</td>
</tr>
</tbody>
</table>
The Prince's Teaching Institute
(An incorporated charity limited by Guarantee)
Notes to the Financial Statements
For the year ended 30th September 2011

7 Debtor

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Trade debtors</td>
<td>1,020</td>
<td>-</td>
</tr>
<tr>
<td>Prepayments</td>
<td>11,770</td>
<td>1,240</td>
</tr>
<tr>
<td>Accrued Income</td>
<td>3,475</td>
<td>54,064</td>
</tr>
<tr>
<td>Rent deposit</td>
<td>5,326</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>21,591</td>
<td>55,304</td>
</tr>
</tbody>
</table>

8 Creditors: Amounts falling due

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Trade creditors</td>
<td>72,527</td>
<td>39,876</td>
</tr>
<tr>
<td>Deferred income</td>
<td>160,000</td>
<td>-</td>
</tr>
<tr>
<td>Other creditors</td>
<td>27,415</td>
<td>79,376</td>
</tr>
<tr>
<td>Accruals</td>
<td>28,393</td>
<td>36,166</td>
</tr>
<tr>
<td>Pensions creditor</td>
<td>525</td>
<td>814</td>
</tr>
<tr>
<td></td>
<td>288,860</td>
<td>156,232</td>
</tr>
</tbody>
</table>

£145,000 of the deferred income balance consists of a restricted grant to fund the Introduction of Modern Foreign Languages to PTT's subject base over a three year period. The movements in deferred income are shown below.

<table>
<thead>
<tr>
<th></th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds received in the year</td>
<td>265,000</td>
</tr>
<tr>
<td>Amount released to restricted grants in the SOFA</td>
<td>(105,000)</td>
</tr>
<tr>
<td>Deferred income at 30 September 2011</td>
<td>160,000</td>
</tr>
</tbody>
</table>

9 Movements in funds

<table>
<thead>
<tr>
<th></th>
<th>at 1st October 2010</th>
<th>Incoming Resources £</th>
<th>Outgoing Resources £</th>
<th>at 30th September 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Restricted Funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Summer School</td>
<td>-</td>
<td>140,750</td>
<td>(140,750)</td>
<td>-</td>
</tr>
<tr>
<td>Schools Programme</td>
<td>-</td>
<td>19,030</td>
<td>(19,030)</td>
<td>-</td>
</tr>
<tr>
<td>Heads' Residential</td>
<td>-</td>
<td>2,500</td>
<td>(2,500)</td>
<td>-</td>
</tr>
<tr>
<td>Steel Charitable Trust</td>
<td>-</td>
<td>3,750</td>
<td>(3,750)</td>
<td>-</td>
</tr>
<tr>
<td>John Laing Charitable Trust</td>
<td>-</td>
<td>10,000</td>
<td>(10,000)</td>
<td>-</td>
</tr>
<tr>
<td>Total restricted funds</td>
<td>-</td>
<td>176,030</td>
<td>(176,030)</td>
<td>-</td>
</tr>
<tr>
<td>Unrestricted General Funds</td>
<td>331,575</td>
<td>690,175</td>
<td>(629,914)</td>
<td>391,836</td>
</tr>
<tr>
<td>Total Funds</td>
<td>331,575</td>
<td>866,205</td>
<td>(805,944)</td>
<td>391,836</td>
</tr>
</tbody>
</table>

The Summer School restricted fund relates to funding received specifically for the June 2011 Summer school.

The Schools Programme restricted fund relates to funding received specifically for the 2010/11 Schools Programme activities.

The Heads’ Conference restricted fund relates to funding received specifically for the Heads’ Residential held in January 2011.

The Steel Charitable Trust restricted fund relates to funding received to support 2 schools (one in Bedfordshire and one in Luton).

The John Laing Charitable Trust restricted fund relates to funding received to support 5 schools in Swindon.
The Prince's Teaching Institute  
(An incorporated charity limited by Guarantee)  
Notes to the Financial Statements  
For the year ended 30th September 2011

10 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 £110,000 (2010: £100,000).

Bernice McCabe, Co-Director of The Prince's Teaching Institute (but not a Companies Act director or charity trustee), invoiced the Institute £24,125 (2010: £23,250) for her services as a consultant during the year, £6,688 (2010: £5,812) of which was still owed to her at the year end. These transactions were entered into on an arm's length basis.

The Institute's Summer School took place at Homerton College, Cambridge, of which one of the trustees, Dr Katharine Pretty, is Principal. The total payable to Homerton College in respect of accommodation and associated services amounted to £43,302 (2010: £59,035). This was negotiated on a commercial "arm's length" basis and Dr Pretty has no financial interest in the transaction.

11 Operating lease commitments

At 30th September 2011, the charity had annual commitments under non-cancellable leases for buildings as follows:

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Within two to five years</td>
<td>33,611</td>
<td>-</td>
</tr>
</tbody>
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