

ST DAVID'S COLLEGE TRUST

ST DAVID'S COLLEGE TRUST

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

Registered Charity number: 1075705
Registered Company number: 01351369

ST DAVID'S COLLEGE TRUST

FINANCIAL STATEMENTS

Year ended 31 August 2022

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ST DAVID'S COLLEGE TRUST

COMPANY INFORMATION

Year ended 31 August 2022

Legal Status

St David's College Trust is a registered charity incorporated as a company limited by guarantee under the Companies Act 2006.

Governors

The Governors of St David's College Trust who served during the year were:

Rev Dr P Gaskell +* "(Chairman and Chair of Finance Committee)
R Kenwell (Treasurer)*
Rt Rev K Sinclair
Viscount Chelsea
G Wilson *
R Leake + (Chair of Education Committee)
Miss C Hart
Mrs B Hutchinson Smith +
Lord Mostyn * (Resigned 15 December 2021)
P Hadley +
Mrs A Seldon "(Nee Haydon) (Chair of Estates Committee)
T Mueller
Mrs S Hepworth +
Mrs E Aubert "(Appointed 09 February 2022)

* Members of the Finance Committee

+ Members of the Education Committee

"Members of the Estates Committee

Registered charity number	Company number	Registered office
1075705	01351369	St David's College Llandudno LL30 1RD

Operating name

The company operates as St David's College Trust.

The Headmaster

A Russell B.Sc., P.G.C.E., C.C.M. (SpLD)

The Bursar and Clerk to the Governors

Miss K Baines B.Sc., ACA (Resigned 04 October 2022)

Mrs N McDonald BA(Hons), ACMA (Appointed 05 October 2022)

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COMPANY INFORMATION

Year ended 31 August 2022

ADVISERS

Bankers	HSBC Bank Plc 60 Mostyn Street Llandudno Conwy LL30 2SF
Solicitors	Hill Dickinson LLP No 1, St Paul's Square Liverpool L3 9SJ
Auditor	RSM UK Audit LLP One City Place Queens Road Chester CH1 3BQ
Investments	Brewin Dolphin Limited 1 The Avenue Spinningfields Square Manchester M3 3AP
Property & Estates	Mostyn Estates Ltd (Landlord) Mostyn Court 2 Mostyn Street Llandudno LL30 2PS
Insurances	Circle Insurance Services PLC 2 John Bradshaw Court Alexandria Way Congleton Cheshire CX12 1LB

ST DAVID'S COLLEGE TRUST

GOVERNORS' ANNUAL REPORT

Year ended 31 August 2022

The Board of Governors, who are also the directors of the charity for the purpose of the Companies Act present their annual report for the year ended 31 August 2022, together with the audited financial statements for the year and confirm that the latter comply with the requirements of the Companies Act 2006, Charities Act 2011 and the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016).

Principal activities and objectives

St David's College Trust (the College) which operates from St David's College, Llandudno, LL30 1RD, is established to promote and provide for the advancement of education.

The College is incorporated as a company limited by guarantee registered in England and Wales, No. 01351369, and is registered with the Charities Commission under charity number 1075705. The Governors have obtained the consent of the Registrar of Companies to be exempt from the requirement to use the word 'Limited' in its name.

The Governors are also the company's directors and are shown on page 1.

Auditor

The auditor, RSM UK Audit LLP, has indicated its willingness to continue in office.

Structure, governance and management

Governing document

The College is governed by its Memorandum and Articles of Association, as revised in June 2006.

Governing Body

The company is governed by its Board which consists of no less than 7 and no more than 20 members. The governing body, assisted by the Headmaster, Mr A Russell, and Bursar, Mrs N McDonald, is responsible for formulating the strategy and policies for the company as a whole.

The Governors are appointed annually by the Board of Governors.

Recruitment and training of Governors

Governors are recruited from all walks of life, including the clergy, business, the professions and alumni. Governors must subscribe to the College's statement of faith. On joining, Governors are inducted into the responsibilities of both directors of the company and trustees of the charity. Through membership of AGBIS, Governors attend appropriate external seminars and workshops; internally, periodic training days are arranged in College.

ST DAVID'S COLLEGE TRUST

GOVERNORS' ANNUAL REPORT

Year ended 31 August 2022

Organisational Management

The Governors meet as a Board at least three times a year to determine the general policy of the College and to review its overall management and control, for which they are legally responsible. The work of implementing most of the Board's policies is carried out by the Finance Committee which has met three times this year. The Education Committee met three times during the year, to discuss academic, pastoral and spiritual issues. The Governors submit a self-evaluation of their work which is incorporated into the College Development Plan. The day to day running of the College is delegated to the Head and Bursar supported by members of the School Leadership Team (SLT). The SLT meets every week and is comprised of the Headmaster, the Bursar, the Deputy Head, the Chaplain, two Assistant Heads and the SENCO.

Key management remuneration policy

The remuneration of key management personnel is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the Company's success.

The appropriateness and relevance of the remuneration policy is reviewed annually, including reference to comparisons with other independent colleges to ensure that the College remains sensitive to the broader issues of pay and employment conditions elsewhere. We aim to recruit, subject to experience, at the lower to medium point within a band, providing scope for rewarding excellence. Delivery of the College's charitable vision and purpose is primarily dependent on our key management personnel and staff costs are the largest single element of our charitable expenditure.

Related Parties

A number of the Governors are directors or officers of external companies and any transactions are disclosed in Note 21 of the accounts.

Investment policy and objectives

The Governors' investment policy complies with the Trustees Act 2000 and, in conjunction with working capital, is directed at covering the future liability of funds held in the Advanced Fee Payment Scheme (AFPS).

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

The principal objects of the company are set out in its Memorandum of Association. Within these objects the College aims:

- a. To develop the College as a Christian college for boys and girls.
- b. To acquire and carry on in the United Kingdom any other college or colleges for the education of children.

Aims and intended impacts

The College is a boarding and day college for up to 280 pupils aged 9-19. The College aims to develop "the whole person", through a broad education founded on Christian principles, a wide choice of interest and activity, and an achievable personal programme for each pupil. The College's expertise in helping dyslexic pupils is recognised internationally.

ST DAVID'S COLLEGE TRUST

GOVERNORS' ANNUAL REPORT

Year ended 31 August 2022

Objectives

During this academic year St David's has continued to flourish in all aspects of school life with a growing local reputation and an improving situation with respect to boarding. This healthy balance ensures that day pupils benefit from the boarding 'feel'.

The Autumn term in Wales was especially difficult as schools were still in a semi lockdown situation, bubbles existing for all year groups and many of the existing measures from the summer still in place. The whole school science fair was the first major event sadly without parents attending, however, every pupil in Key stages 2, 3 and 4 were involved ably supported by the school prefect subject ambassadors. Sports fixtures were behind closed doors and the Carol Service held in St Paul's Craig y Don was a school only event. It was especially marked as it was the first time the whole community gathered under one roof since March 2020. As a result of this slow start to the year the myriad of house and school events that could not take place were forced into the Spring and Summer terms. This helped to maintain the community and develop the community feel.

The marketing and admission teams worked ceaselessly due to the increased interest in the school from home and abroad with new markets emerging in the USA and Spain and pupils travelling to North Wales from London in larger numbers. The USPs of excellent outdoor education and education support, design technology, sport and above all the location were at the forefront of the decision makers.

The Headmaster and the Governors launched the Master Plan on Speech Day in front of 800 guests. The plan includes a MUGA, sports centre, a 15-classroom block for core subjects, science block extension, a forest amphitheatre, a 140 retractable seating theatre with dance floor, common room refurb, performing arts centre, boarding extension and a food tech lab. This 7- 10 year plan is ambitious and as such the role of fundraising co-ordinator has been advertised.

Relationships and communication remain at the heart of all that is good at the school. A newly appointed Headmaster's PA and school secretary have shored up the organisation and the administration of the school including revamping the communication procedures with all stakeholders. Likewise, there has been a restructure of the Bursar's department, improving the efficiency of the finance and H&S functions.

St David's has recruited a new pastoral officer to take position in October 2022, replacing the incumbent who has successfully moved into a teaching post within the school. The Heads of Year have deputies to facilitate a closer working relationship with the tutors and parents.

The school was a finalist in the Muddy Stiletto Awards for 2022 for the Most Inventive Sports programme, and the school is awaiting the outcome of the Independent School of the Year Award for the Innovation Award for Outstanding New Initiative 2022 category. While in November of 2021 the school became only the third school to ever have been awarded the prestigious Gold Award from the Association of Heads of Outdoor Education Centres.

The main objectives for the Leadership Team over the coming year are to

- focus the department heads on the deep learning through rigid quality assurance systems.
- create a culture of CPD throughout each strata of staffing, both internally and externally provided.
- facilitate the implementation of the master plan
- continue to develop our system of pastoral care
- maintain the financial security of the school through tight cost control and the development of additional income streams
- promote care for the environment throughout the school in its care for and development of the site.

ST DAVID'S COLLEGE TRUST

GOVERNORS' ANNUAL REPORT

Year ended 31 August 2022

Strategies

The College measures its success in many ways, some of which are easier to quantify than others. Academically we measure success by raw examination results but more accurately by the value-added scores that are calculated annually when comparing the students' performance in exams with the levels as measured by national baseline testing when they joined the College. Equally important are the essential skills of leadership, teamwork, resilience, etc. These are almost impossible to quantify empirically, but we are proud of our success in ensuring that the majority of our pupils leave us with a strong sense of community, empathy and resilience. The school places great importance on essential characteristics which ensures that young adults are equipped for anything that is thrown at them in their adulthood. This has proven the case with the success stories reported during the harsh times of lockdown.

Public benefit

St David's College Trust remains committed to the aim of providing public benefit in accordance with its founding principles. Charity law has introduced the requirement to demonstrate that public benefit for charitable purposes where it has hitherto been presumed in the absence of evidence to the contrary.

The award of bursaries for the needy is a measurable means of providing public benefit. The Board takes the view that bursaries awarded to those who would not otherwise be able to afford the fees are important, but not to the exclusion of the much wider benefit that the College provides within the community. Those pupils who attend our college and who receive financial support contribute to the college community in a variety of ways. Hence the benefit is not purely to these pupils but to the whole College and, in some cases to the wider community. This year the College awarded scholarships, bursaries and other awards to the value of £610,044 9.2% of gross fees (2021 was £ 630,444, at 10.45% of gross fees) helping children to pursue their education at the College. The Governors will continue to demonstrate public benefit by making awards based on academic ability and financial need. We continue to provide for LEA funded students and 4 students who are partially funded by external Charitable Trust Funds.

The College has offered its facilities to local schools, organising several events including sporting activities. The sports facilities are used by several local cricket teams on a non-profit making basis. Local groups continue to make use of our facilities for meetings and drama clubs. The College opens up its historic buildings to the public as part of an annual Heritage Scheme in the county. The public benefit from partnering with RGC (Rygbi Gogledd Cymru), Llandudno Football Team and Llandudno Cricket Club will be appreciable in the offering of sports clinics and festivals in the closed term seasons.

Fundraising performance

St David's has continued in its commitment to Operation Christmas Child and has built upon its work with the local community in facilitating expertise and a framework with which the Ukrainian Refugees entering North Wales could be accommodated. This was achieved through the dedication of our Chaplain Emeritus and the Link International Charity connected to the school. The Headmaster's wife has an annual chosen charity and is working closely with NSPCC to help fund essential work with Childline.

Investment performance

The Governors' investment policy complies with the Trustees Act 2000 and, in conjunction with working capital, is directed at covering the future liability of funds held in the Advanced Fee Payment Scheme (AFPS). Funds held in the AFPS are £305,408 (2021: £202,980). The value of investments held is £114,472 (2021: £130,855).

ST DAVID'S COLLEGE TRUST

GOVERNORS' ANNUAL REPORT

Year ended 31 August 2022

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

The UK Government announced that schools should prepare their public examination cohorts for two very different scenarios. The first was to evidence performance via a three-stage examination programme during the year in preparation for a potential Teacher Assessed Grades scenario if the pandemic flared in the Summer term and also to prepare them for the full Summer series of exams. In December Welsh schools were still emerging from a phased removal of Covid-19 measures and so the pressure was ramped up for all examination candidates from year 10 through to year 13.

The St David's College Summer 2022 reported results for Level 2 examinations (both GCSE and BTEC combined) have been excellent across all subject areas. 21.55% of the grades received were at A/7 or better. 78.02% of grades were C/4 and above which was almost 10% above the Welsh average. Almost all departmental received 100% C/4 pass rates including Maths (of which 18% were A*-A), English (31% A*-A) and Science (38.5% A*-A).

The percentage of grades awarded to pupils receiving C/4 and above at Level 2 was 78.02% which compares extremely favourably to the Wales figure of 68.6%. As a non-selective school, we are very proud of these results in particular and equally the measure of the Value Added each pupil attained 0.44 grades higher than expected at Level 2 and 0.67 grades at Level 3 are most commendable.

Within the sixth form at Level 3, 42.27% of the grades were at A*-A/Distinction*- Distinction. A Levels alone accounted for 53.33% of the top grades, while comparably, in Wales it was 40.9%. 74% off the leaving cohort are attending Universities such as Southampton, Loughborough and Cardiff studying subjects such as Biomedical Sciences, Neuroscience, Ancient History and Journalism. Due to the bespoke approach to education, the building of the whole person and the huge breadth of experience during the formative school years, gap years and apprenticeships continue to be a popular choice after sixth form.

Interestingly the year 10 cohort (around one third of the year group who had not yet witnessed external public examinations) sitting their core exams a year early received 41% - A*/A and 92% - A*/C.

Two sixth form students have gained an HNC in Computer Aided Design and Draughting awarded by the SQA. St David's is the only school that offers this level of qualification.

10% of the student roll at St David's represent their country in a chosen sport or pursuit. This is quite remarkable given the non-selective policy adopted by the admissions team. Children represent Wales in rugby, ladies' football, badminton, skiing and weightlifting for Wales and sailing and windsurfing for Great Britain. Many children are selected for the region or county on sports such as cross country and cricket.

A pupil has yet again won a performance award from the National Operatic and Dramatic Association for their lead role in Aladdin Jr which is notable as it was the performance that signified a return to normality as we edged out of lockdown.

ST DAVID'S COLLEGE TRUST

GOVERNORS' ANNUAL REPORT

Year ended 31 August 2022

FINANCIAL REVIEW

Results for the year

The College's surplus of £158,011 (2021 £122,112 surplus) was above the target budgeted surplus of £37,341. This was due to additional boarding pupils during the year and tight cost control. Operating costs tended to reduce against budget in most areas except for maintenance where we increased spend to continue our plans for improving the facilities. We had a good collection of debtors during the year and have been able to release £18,397 of our debtor provisions. We had a loss on investments of £16,383. Academic staffing costs were £3,154,677 (2021: £2,968,309).

Fees increased by 2% on 1st January 2022. The gross fee income increased by £625,864 during the year due to extra boarding pupils and the impact of the fee increase. Bursaries continued to be in demand, with the level awarded being 1.4% of gross fees at £89,937. Bursaries are awarded on a means tested basis. There was an increase in net fees of £646,264.

Pupil numbers declined from 266 to 260 by the year ended 31st August 2022 (262 during the year ended 31st August 2021). The new pupil intake at September 2021 was at a good level of 53. Pupil numbers at September 2022 are 249 and the new pupil intake is 40.

We have maintained a strong balance sheet and cash reserves which have enable us to face the challenges the new year is presenting with the rising costs of fuel, energy and food.

Reserves Level and Policy and Financial Viability

The College's reserve policy is to maintain sufficient unrestricted income reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall and to rely on the readily realisable cash in bank and overdraft facility.

The College's total reserves are £2,936,463 (2021: £2,778,452) at the year end, of which £ 3,236,872 (2021: £3,223,124) relate to the fixed assets and investments of the school, leaving £(300,409) (2021: £(444,672)) of free reserves for the College. The Board deem this to be an adequate level of free reserves give the current climate and the availability of the £400,000 overdraft. We intend to build up the free reserves from the current deficit to a surplus over the next 4 years.

Restricted Funds of £95,510 (2021: 102,611) and Designated Funds of £114 (2021: £143) are held against various restricted activities, being the depreciating value of Tryfan Boarding House, the James Webb fund held for projects relating to the Assistive Technology Programme, the Boat fund which is held for the purchase and upkeep of school boats and the appeal value of Chelsea House. The Charity Commission has advised us that although the fund value of Tryfan must remain restricted, the cash surplus in respect of Chelsea may be used for other development purposes.

PRINCIPAL RISKS AND UNCERTAINTIES

Risk management

The Governors consider that previous years of economic turbulence, as well as the future uncertainties facing the country, could have an impact on our financial security through pupil numbers. Increased costs for manpower and other resources have been supported with an increase in fees. The Governors viewed the increasing costs of the Teachers' Pension Scheme to be an unacceptable risk and entered a consultation process with teaching staff that concluded with the College exiting the Teachers' Pension Scheme on 30 April 2021. The new pension scheme offered to teachers maintains the more manageable employers' contributions of the Teachers Pensions Scheme of 16.48% that applied prior to the increase to 23.7% in September 2021. The

ST DAVID'S COLLEGE TRUST

GOVERNORS' ANNUAL REPORT

Year ended 31 August 2022

Governors have also reviewed the risks faced in the principal areas of College operations, noting the continual risk assessments conducted by staff. The Governors remain of the opinion that the College has established resources and system which, under normal conditions, should allow risks to be mitigated to an acceptable level in the College's routine operations.

Again, this year, the Governors have monitored the requirements of the Charities Act on the College's charitable status. As reported under Public Benefit, the College can demonstrate its public benefit; the Governors see no necessity, therefore, to make any financial provision for the Charities Act requirements at this time.

The key controls used by the charity include:

- 1) Formal agendas for all Committee and Board activity
- 2) Detailed Terms of Reference for Finance, Education and Development Committees
- 3) Comprehensive strategic planning, budgeting, and management accounting
- 4) Production of a College Development Plan which is continuously updated by the School Leadership Team
- 5) Established organisational structure and lines of reporting
- 6) Formal written policies and health and safety procedures
- 7) Vetting procedures as required by law for the protection of the vulnerable
- 8) Monitoring of cash flows on a termly basis

Through the risk management processes established for the College, the Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

The main risks as identified by the Governors are as follows:

Pupil Numbers

The Governing body review regularly the recruitment and retention of pupils. The College is pursuing many new marketing initiatives and has invested in its marketing budget and the appointment of a new Registrar and Marketing Manager with a particular emphasis to grow boarding numbers.

Credit and Debt recovery Risk

The Governing body monitor the late and/or non-payment of fees and the steps in place to recover these debts, to prevent a detrimental effect on cash flow and income. Persistent debtors are pursued through legal channels to recover the debt. An adequate provision for bad debts that may not be recoverable is set each year to protect against any unpreventable losses.

Cash flow Risk

Cash flow is assessed on a monthly basis and reported to the Governing Body. The average cash balance by this year end was reported to be an adequate £1,178,842 (2021: £1,074,505)

Brexit

The Governing body are monitoring the impact of Brexit on the college in terms of its effect on the recruitment of pupils, supply of goods and services and travel to and from Europe.

ST DAVID'S COLLEGE TRUST

GOVERNORS' ANNUAL REPORT

Year ended 31 August 2022

Future Plans

The financial performance and positive cash flows, in recent years, has given the College the scope to consider the possibility of investing in more significant capital projects in the next few years.

- Refurbishment of boarding areas through our rolling upgrading and maintenance programme.
- Research of an improved sports facility either through the delivery of a multi-use games area or an indoor sports facility.
- Continue to develop a link to humanitarian projects in the UK and Europe, specifically for younger years to attend.
- Continue to improve ICT, technology for learning and communications systems within the college and boarding accommodation.
- Collaborate with the ODA in building a pavilion on the games pitch.
- Creating improved teaching facilities.
- More environmentally friendly policies across the College.

Trustees'/Governors' Responsibilities

The Governors (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the Annual Report (incorporating the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year which 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 Governors are required to:

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

The Governors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time to show and explain the charitable company's transactions, the financial position of the charitable company and enable them to ensure that the financial statements comply with the provisions applicable under the Companies Act 2006 and the charity's constitution.

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.

In so far as the Governors are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- as the Governors of the charity, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

ST DAVID'S COLLEGE TRUST
GOVERNORS' ANNUAL REPORT
Year ended 31 August 2022

Small Company Provisions

This report has been prepared in accordance with the provisions applicable for companies entitled to the small companies' exemption.

Approved by the Board of Governors of St David's College Trust on 31 January 2023 and signed on its behalf by:

Peter Gaskell

Rev.. Dr. Peter Gaskell, Chairman of Governors

ST DAVID'S COLLEGE TRUST
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ST DAVID'S COLLEGE TRUST

Opinion

We have audited the financial statements of St David's College Trust (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities (incorporating an income and expenditure account), the Statement of Financial Position, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Governors' Annual Report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Governors' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

ST DAVID'S COLLEGE TRUST
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ST DAVID'S COLLEGE TRUST (continued)

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Governors' Annual Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Governors' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Governors' Annual Report.

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 from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 10, the trustees (who are also the 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

ST DAVID'S COLLEGE TRUST
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ST DAVID'S COLLEGE TRUST (continued)

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the charitable company operates in and how the charitable company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

ST DAVID'S COLLEGE TRUST
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
ST DAVID'S COLLEGE TRUST (continued)

As a result of these procedures, we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are The Education (Independent School Standards) Regulations 2014, Keeping Children Safe in Education under section 175 of the Education Act 2002, and the UK General Data Protection Regulation (UK GDPR), as well as the Social Services and Well-being (Wales) Act 2014. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anna Spencer-Gray

ANNA SPENCER-GRAY (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

One City Place

Queens Road

Chester

CH1 3BQ

Date: 06/02/23

ST DAVID'S COLLEGE TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
For the year ended 31 August 2022

	Note	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2022 £	Total 2021 £
INCOME						
Income from Charitable Activities						
School fees	2	6,046,187	-	-	6,046,187	5,399,923
Other educational income	3a	71,078	-	-	71,078	11,245
Other ancillary income	3b	77,482	-	-	77,482	40,626
Donations	3c	-	-	-	-	1,200
Grant Income	3d	-	-	-	-	105,944
Investment income	4	2,032	-	-	2,032	2,573
Total income		<u>6,196,779</u>	<u>-</u>	<u>-</u>	<u>6,196,779</u>	<u>5,561,511</u>
EXPENDITURE						
Expenditure on Charitable Activities	8	6,009,076	29	7,101	6,016,206	5,501,790
Costs of raising funds	8	6,179	-	-	6,179	(49,710)
Total expenditure	8	<u>6,015,255</u>	<u>29</u>	<u>7,101</u>	<u>6,022,385</u>	<u>5,452,080</u>
NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS BEFORE GAINS AND LOSSES ON INVESTMENTS						
		181,524	(29)	(7,101)	174,394	109,431
Net (losses) gain on Investment	11	(16,383)	-	-	(16,383)	12,681
NET MOVEMENT IN FUNDS FOR THE YEAR		<u>165,141</u>	<u>(29)</u>	<u>(7,101)</u>	<u>158,011</u>	<u>122,112</u>
Fund balances as at 1 September		<u>2,675,698</u>	<u>143</u>	<u>102,611</u>	<u>2,778,452</u>	<u>2,656,340</u>
FUND BALANCES AT 31 AUGUST	17	<u>2,840,839</u>	<u>114</u>	<u>95,510</u>	<u>2,936,463</u>	<u>2,778,452</u>

All gains and losses recognised in the year are included in the Statement of Financial Activities.

The notes on pages 19 to 36 form part of these financial statements

ST DAVID'S COLLEGE TRUST

Company Registration Number 01351369

STATEMENT OF FINANCIAL POSITION

As at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	10	3,122,400	3,092,269
Investments	11	114,472	130,855
Total fixed assets		<u>3,236,872</u>	<u>3,223,124</u>
Current assets			
Land held for sale	12	37,227	37,227
Stocks		19,532	21,136
Debtors due within one year	13	110,692	104,038
Cash at bank and in hand		1,042,574	853,241
		<u>1,210,025</u>	<u>1,015,642</u>
Creditors: amounts falling due within one year	14	<u>(1,107,558)</u>	<u>(1,112,828)</u>
Net current assets/ (liabilities)		<u>102,467</u>	<u>(97,186)</u>
Total assets less current liabilities		<u>3,339,339</u>	<u>3,125,938</u>
Creditors: amounts falling due after more than one year	15	<u>(402,876)</u>	<u>(347,486)</u>
Net assets		<u>2,936,463</u>	<u>2,778,452</u>
Funds			
Restricted funds	18a	95,510	102,611
Designated funds	18b	114	143
Unrestricted funds	18c	2,840,839	2,675,698
Total funds		<u>2,936,463</u>	<u>2,778,452</u>

The accounts have been prepared in accordance with the provision Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

The financial statements on pages 16 to 36 were approved and authorised for issue by the Board on 31 January 2023 and signed on its behalf by:

Peter Gaskell

Rev.. Dr. Peter Gaskell, Chairman of Governors

The notes on pages 19 to 36 form part of these financial statements.

ST DAVID'S COLLEGE TRUST

STATEMENT OF CASH FLOWS

For the year ended 31 August 2022

	Note	2022		2021	
		£	£	£	£
Cash from operating activities	23		285,599		469,979
Interest paid		(6,999)		(9,624)	
Net cash from operating activities			<u>278,600</u>		<u>460,355</u>
Cash used in investing activities					
Investment income		2,032		2,573	
Purchase of tangible fixed assets		(193,727)		(188,806)	
Cash used in investing activities			<u>(191,695)</u>		<u>(186,233)</u>
Fees in advance scheme	15a				
New fees in advance		317,419		179,808	
Amounts accrued to fees in advance contracts		2,271		2,965	
Amounts utilised		(217,262)		(216,844)	
			<u>102,428</u>		<u>(34,071)</u>
Increase in cash and cash equivalents in the year			<u>189,333</u>		<u>240,051</u>
Cash and cash equivalents at beginning of the year			<u>853,241</u>		<u>613,190</u>
Cash and cash equivalents at end of the year			<u><u>1,042,574</u></u>		<u><u>853,241</u></u>

ST DAVID'S COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2022

1 Accounting policies

Basis of preparation of the financial statements

St David's College Trust, Llandudno (the College) is an incorporated charitable company which is limited by guarantee, (registered company no. 01351369), (charity no. 1075705), registered in England & Wales. The College's registered address and principal place of business is St David's College, Llandudno, LL30 1RD.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value except for certain financial instruments at fair value. The Financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Companies Act 2006 and the Charities Act 2011. The principal accounting policies adopted in the preparation of the accounting policies are set out below.

The College constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the College. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

The College's ability to continue operating is aided by the continued support of its bankers and the availability of adequate overdraft facilities, should they be required. The overdraft facility has been renewed up to November 2023. Should it be necessary we can draw on the overdraft facility, but we have not needed to in either the current or prior year. Detailed cash flow forecasts and budgets have been prepared and approved by the Governors to ensure the College can meet its financial commitments when they become due in the coming year and the following year. The College has implemented a strategy focused on pupil recruitment and a programme of cost control to ensure the College can operate within its agreed bank overdraft facilities. On this basis therefore it is appropriate to prepare financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the withdrawal of support from the College's bankers.

The College has managed its finances very efficiently during the current year and the periods impacted by Covid 19. Governors have concluded that it is reasonable to expect that the school will generate sufficient resources to continue in operational existence for the foreseeable future and meet all of its financial obligations. For this reason, the Governors have continued to adopt a going concern basis in preparing the School's financial statements.

Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the College, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants. Scholarships are assessed and awarded on a pupil's merit following an annual Scholarship Day held in the early Spring term. Bursaries are considered on the basis of a declaration of income and liabilities from the parents applying for such an award. Non-refundable fees received in advance of education to be provided in future years under an Advance Fee Payment Scheme contract are held as interest-bearing liabilities until either taken to income in the term when used or transferred to another school.

ST DAVID'S COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2022

(continued)

Investment income

Investment income from bank balances and fixed asset investments are accounted for on an accruals basis.

Expenditure

Expenditure is accounted for on an accruals basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

Costs of raising funds are those costs incurred in attracting income and those incurred in trading activities that raise funds.

Charitable activities include expenditure associated with the running of the school and include both the direct costs and support costs relating to those activities. Governance costs (included within support costs) comprise the costs of running the charity, including strategic planning for its future development, also internal and external audit, any legal advice for the College Governors, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. The capitalisation policy is that purchases of more than £1,000 and with a useful life of over 12 months are considered to be capital purchases.

Land and buildings are classified as fixed assets held primarily for charity use and do not include investment assets. Land deemed as to be put up for sale within 12 months is classified as current assets.

Depreciation is provided so as to write off the cost of the fixed assets less their estimated residual value over their estimated useful lives. The current depreciation rates are as follows:

Leasehold buildings	2% p.a. (2.5% in 2006 and prior years) – straight line
Portable buildings	10% p.a. – reducing balance
Equipment and furnishings	19% to 21% p.a. – reducing balance
Motor vehicles	25% p.a. – reducing balance
Assets in the course of construction	No depreciation

Investments

Listed investments are included in the financial statements at market value at the balance sheet date. Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities.

Stocks

Stocks are valued at the lower of cost and net realisable value. Stocks comprise of resources purchased during 2021/22, for use in the academic year 2022/23.

ST DAVID'S COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2022

(continued)

Pension schemes

The College participated in the Teachers' Pension Scheme (England and Wales) (the TPS), for its teaching staff up to 30 April 2021 when it exited the scheme. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to consistently identify the liabilities of the TPS which are attributable to the College. The College, in accordance with FRS 102 therefore, the Scheme is accounted for as a Defined Contribution Scheme.

The College also participates in a defined contribution group personal pension scheme for employees who are not eligible for membership of the TPS. The employer contributions start from 8.35% up to a maximum of 12.35% in line with the amount the employee wishes to contribute personally.

Contributions to both schemes are charged in the SOFA as they become payable.

Operating leases

Rentals payable under operating leases are charged to resources expended on a straight-line basis over the period of the lease.

Unrestricted Funds and Designated fund

Funds are retained to cover the fixed assets, provide working capital and repay long-term loans. Funds are designated within Unrestricted Funds when there is a specific project to be undertaken.

The designated fund represents the depreciating value of the furniture and equipment of the Chelsea House along with the surplus in the specific designated bank account.

Restricted fund

The restricted fund represents the depreciating value of the Tryfan Boarding House and the James Webb Assistive Technology Suite.

Funds are restricted when they have been given or raised for a specific purpose.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

Financial instruments

The College has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial instruments Issues' of FRS 102 to all of its financial instruments.

Financial assets are recognised in the College's balance sheet when the school becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables (but not prepayments) not measured at amortised cost, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

ST DAVID'S COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2022

(continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in Statement of Financial Activities.

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement as, either, financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Critical accounting estimates and assumptions

The College makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Pension scheme valuation assumptions

Assumptions have been made by the actuary in calculating the valuation of the defined benefit pension scheme at the year end. Details of the assumptions made are included within the pension note.

Bad debt provision

Fee debtors are reviewed, annually, when the governors consider the requirement to write off any bad debts over 12 months old or those which are found to be non-recoverable. All fee debts, which are outstanding at the end of the financial year, less any amounts expected during the following financial year, will be covered by a bad debt provision, unless those fees are believed to be payable within the next 3 months.

Depreciation rates

Depreciation policies are applied to each asset category in order to reflect the useful economic life of the assets.

2 Income from charitable activities

School fees

	2022	Unrestricted 2021
	£	£
(a) The School's fee income comprised:		
Gross fees	6,656,231	6,030,367
Less: Bursaries and awards	(224,162)	(223,679)
Fee discounts	<u>(385,882)</u>	<u>(406,765)</u>
	<u>6,046,187</u>	<u>5,399,923</u>

For the year ended 31 August 2022
(continued)

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ST DAVID'S COLLEGE TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2022

(continued)

4 Investment income

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Investment income	2,032	-	2,032	2,573
	<u>2,032</u>	<u>-</u>	<u>2,032</u>	<u>2,573</u>

The total income in 2021 was attributable to unrestricted funds.

5 Total staff costs comprised

	2022 £	2021 £
Wages and salaries	3,514,165	3,224,250
Social security costs	329,710	281,734
Pension contributions	408,193	480,097
	<u>4,252,068</u>	<u>3,986,081</u>

The average full-time equivalent number of employees employed by the School during the year was:

	2022	2021
Teaching	60	57
Welfare	23	26
Premises	9	7
Support	9	8
	<u>101</u>	<u>98</u>

The average number of employees on the payroll was

	<u>147</u>	<u>139</u>
--	------------	------------

None of the Board members received remuneration in the year.

Governor travel and training expenses of £2,034 (2021: £296) – paid to Governors during the year to reimburse out of pocket expenses relating to travel.

An ex-gratia payment of £Nil (2022: £2,500) was paid during the previous year. The payment was in relation to a termination of employment settlement agreement.

ST DAVID'S COLLEGE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2022
(continued)

5 Total staff costs comprised (continued)

The number of employees whose emoluments exceeded £60,000 was:

	2022	2021
£60,000- £70,000	2	2
£90,000- £100,000	1	1
	<u> </u>	<u> </u>

Contributions by the school for the higher-paid employee shown above amounting to £ 15,649 (2021 £19,808) were made to the Legal & General Pension Fund.

	2022	2021
Aggregate employee benefits of:		
Key management personnel	£265,378	280,429
	<u> </u>	<u> </u>

The key management personnel are the Headmaster, the Bursar, the Deputy Head and the Chaplain.

6 Analysis of Governance expenditure included within support costs

	2022	2021
	£	£
Auditors' remuneration including VAT: for audit services	26,400	21,864
Governors travel expenses	2,034	296
	<u>28,434</u>	<u>22,160</u>

7 Net income/(expenditure) for the year

	2022	2021
	£	£
Operating leases:		
- Land & buildings	35,700	35,700
- Motor	37,640	37,553
- Equipment	17,248	20,560
Depreciation	163,597	167,385
	<u> </u>	<u> </u>

ST DAVID'S COLLEGE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2022
(continued)

8 Expenditure

	Staff costs £	Other costs £	Depreciation £	2022 Total £	2021 Total £
Costs of raising funds:					
Financing costs	-	2,534	-	2,534	2,743
Bank interest and charges	-	4,465	-	4,465	6,881
Bad debts write off	-	(280)	-	(280)	(59,334)
	<u>-</u>	<u>6,719</u>	<u>-</u>	<u>6,719</u>	<u>(49,710)</u>
Charitable activities					
Teaching	3,154,677	353,694	45,319	3,553,690	3,298,436
Welfare	501,607	255,025	41,693	798,325	649,873
Premises	238,756	712,537	72,959	1,024,252	942,338
Support costs of schooling	357,028	278,745	3,626	639,399	611,143
School's operating costs	<u>4,252,068</u>	<u>1,600,001</u>	<u>163,597</u>	<u>6,015,666</u>	<u>5,501,790</u>
Total expenditure	<u>4,252,068</u>	<u>1,606,720</u>	<u>163,597</u>	<u>6,022,385</u>	<u>5,452,080</u>

Total expenditure was £6,022,385 (2021: £5,452,080) of which £7,101 (2021: £7,999) was restricted and £29 (2021: £36) was designated. Total remaining funds were unrestricted.

The credit on the bad debt write off arose due to collection of some older historic debts which has enabled us to release bad debt provisions, and excellent collection of the current year's fees.

	Staff costs £	Other Costs £	Depreciation £	2022 Total £	2021 Total £
Support costs of schooling					
Salaries	357,028	-	-	357,028	351,031
PR & Marketing	-	124,666	-	124,666	75,951
Agents Commission	-	60,908	-	60,908	62,544
Legal and professional	-	36,195	-	36,195	62,184
Postage and stationery	-	26,698	-	26,698	28,498
Telephones	-	30,277	-	30,277	27,225
Depreciation	-	-	3,626	3,626	3,710
	<u>357,028</u>	<u>278,744</u>	<u>3,626</u>	<u>639,398</u>	<u>611,143</u>

ST DAVID'S COLLEGE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2022
(continued)

9 Taxation

The charity is exempt from tax on income and gains falling within Part 11 of the Corporation Taxes Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10 Tangible fixed assets

	Assets in the course of construction £	Short Leasehold Land and Buildings £	Portable Buildings £	Motor Vehicles £	Equipment & Furnishings £	Total £
Cost						
At 1 September 2021	-	4,178,426	29,756	44,955	1,424,311	5,677,448
Additions	-	77,544	-	-	116,183	193,727
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2022	-	4,255,970	29,756	44,955	1,540,494	5,871,175
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation						
At 1 September 2021	-	1,363,698	25,665	32,905	1,162,911	2,585,179
Charge for year	-	95,186	409	3,021	64,980	163,596
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2022	-	1,458,884	26,074	35,926	1,227,892	2,748,775
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Book Value						
At 31 August 2022	-	2,797,086	3,682	9,029	312,603	3,122,400
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2021	-	2,814,728	4,091	12,050	261,400	3,092,269
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

ST DAVID'S COLLEGE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2022
(continued)

11 Investments

	2022	2021
	£	£
Investments at market value at 1 September 2021	130,855	118,174
Additions	17,563	40,430
Disposals	(21,503)	(44,236)
Increase in Cash	2,728	2,606
Revaluation (loss)/surplus	(16,383)	12,681
Fees	1,212	1,200
	<u>114,472</u>	<u>130,855</u>
Investments at market value at 31 August 2022	<u>114,472</u>	<u>130,855</u>
Historical Cost of investments	<u>116,086</u>	<u>114,462</u>

Listed investment assets in the UK

	Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Listed investments				
Quoted fixed interest securities	32,198	-	32,198	44,541
Other investments	72,889	-	72,889	79,657
Other investments				
UK cash held as part of portfolio	9,385	-	9,385	6,657
	<u>114,472</u>	<u>-</u>	<u>114,472</u>	<u>130,855</u>

All investments are primarily held to provide an investment return. All investments are carried at their fair value. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value). Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects.

At the year-end the College's long-term investments totalled £114,472. The overall total investment loss was £16,383 which, given the economic climate was not unexpected. Investments are made up of UK bonds, UK and overseas equities and a Sterling Capital Account.

12 Land held for sale

	2022	2021
	£	£
Land held for sale	37,227	37,227
	<u>37,227</u>	<u>37,227</u>

School fees which were previously secured by a Voluntary Legal Charge were realised during 2012/13 and the School took possession of land included at £37,227 the value of the outstanding debt.

ST DAVID'S COLLEGE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2022
(continued)

13 Debtors

	2022	2021
	£	£
Fees and extras in arrears	28,848	31,418
Other debtors	2,379	6,060
Prepayments	79,465	66,560
	<u>110,692</u>	<u>104,038</u>

Debts which have been written off during the year amounted to £18,077 (2021: £17,920). The provision for doubtful debts has decreased by £18,117 in the year.

14 Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	107,234	74,897
Accruals	70,459	89,704
Other creditors	80,564	70,054
School fees in advance	723,732	769,209
Deposits against recoveries	40,000	39,248
Other Tax and Social Security	80,437	65,192
Pension contributions	5,132	4,524
	<u>1,107,558</u>	<u>1,112,828</u>

School fees in advance include £172,812 (2021 £202,980) relating to the Advance Fee Payments Scheme, see note 15a for details. The remainder are for Autumn term 2021.

	2022	2021
	£	£
School fees in advance (excluding advance fee payment schemes)		
At 1 September 2021	615,965	382,615
Released from previous year	(615,965)	(382,615)
Resources deferred in the year	529,200	615,965
	<u>529,200</u>	<u>615,965</u>
Deferred income at 31 August 2022		

Bank overdraft

The bank overdraft is secured by a first mortgage dated 13 November 2000 over the College's leasehold property known as St David's College, Gloddaeth Hall and Cottages, Llandudno, LL30 1RP and the following debentures dated 7 December 2000 and 20 July 1999.

Debenture including Fixed Charge over all present freehold and leasehold property; First Fixed Charge over book and other debts, chattels, goodwill and uncalled capital, both present and future, and First Floating Charge over all assets and undertaking both present and future dated 7 December 2000.

ST DAVID'S COLLEGE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2022
(continued)

15 Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
School fees received in advance (see note 15a)	110,876	49,736
Deposits against recoveries	292,000	297,750
	<u>402,876</u>	<u>347,486</u>

The deposits are from parents and are disclosed as partly repayable after more than one year because they are repayable when the pupil leaves and it is reasonable to assume that many pupils will not be leaving within one year.

15a Advance fee payments

Parents may pay to the College up to the equivalent of 7 years tuition fees in advance. Ownership of the funds passes to the College on receipt, but advance payments can be repaid if a pupil does not come to St David's or leaves the College earlier than had been anticipated.

Assuming pupils will remain in the College, advance fees will be applied as follows:

	2022	2021
	£	£
Within 1 year	194,532	153,244
Within 2-5 years	<u>110,876</u>	<u>49,736</u>
	<u>305,408</u>	<u>202,980</u>

The balance included in creditors represents the accrued liability under the contracts. The capital movements during the year were:

	2022	2021
Balance at 1 September	202,980	237,051
New scheme in year	317,419	179,808
Amounts accrued to contracts as debt financing costs	2,271	2,965
Amounts utilised in payment of fees	<u>(217,262)</u>	<u>(216,844)</u>
Balance at 31 August	<u>305,408</u>	<u>202,980</u>

ST DAVID'S COLLEGE TRUST
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 August 2022

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(continued)

Financial instruments

	2022	2021
	£	£
<i>Carrying amount of financial assets</i>		
Financial assets measured at fair value	151,699	168,082
Debt instruments measured at amortised cost	<u>28,848</u>	<u>31,418</u>
<i>Carrying amount of financial liabilities</i>		
Measured at amortised cost	<u>(675,826)</u>	<u>(641,369)</u>

17 Allocation of the charity net assets

The net assets are held for the various funds as follows:

31 August 2022

	Fixed Assets £	Investments £	Net Current Assets £	Long Term Liabilities £	Total £
Restricted funds	93,752	-	1,758	-	95,510
Unrestricted funds:					
Unrestricted funds	3,028,534	114,472	406,117	(402,876)	3,146,247
Advance fees			(285,408)	(20,000)	(305,408)
Unrestricted funds:	114	-	-	-	114
Designated					
	<u>3,122,400</u>	<u>114,472</u>	<u>122,467</u>	<u>(422,876)</u>	<u>2,936,463</u>

31 August 2021

	Fixed Assets £	Investments £	Net Current Assets £	Long Term Liabilities £	Total £
Restricted funds	100,853	-	1,758	-	102,611
Unrestricted funds:					
Unrestricted funds	2,991,273	130,855	54,300	(297,750)	2,878,678
Advance fees	-	-	(153,244)	(49,736)	(202,980)
Unrestricted funds:	143	-	-	-	143
Designated					
	<u>3,092,269</u>	<u>130,855</u>	<u>(97,186)</u>	<u>(347,486)</u>	<u>2,778,452</u>

NOTES TO THE FINANCIAL STATEMENTS

ST DAVID'S COLLEGE TRUST

For the year ended 31 August 2022

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18a Restricted funds

31 August 2022	Balance at 1 September 2021 £	Incoming Resources £	Resources Expended £	Transfer £	Balance at 31 August 2022 £
Tryfan	99,440	-	(5,688)	-	93,752
James Webb	1,413	-	(1,413)	-	-
Boat fund	1,758	-	-	-	1,758
Donations	-	-	-	-	-
	102,611	-	(7,101)	-	95,510
31 August 2021	Balance at 1 September 2020 £	Incoming Resources £	Resources Expended £	Transfer £	Balance at 31 August 2021 £
Tryfan	105,128	-	(5,688)	-	99,440
James Webb	3,724	-	(2,311)	-	1,413
Boat fund	1,758	-	-	-	1,758
Donations	-	1,200	(1,200)	-	-
	110,610	1,200	(9,199)	-	102,611

Tryfan: The balance represents the depreciating value of the Boarding House.
 James Webb Fund: The fund was set up to provide an assistive technology suite.
 Boat Fund: Donations received towards the purchase and upkeep of boats.

ST DAVID'S COLLEGE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2022
(continued)

18b Unrestricted funds: Designated

31 August 2022	Balance at 1 September 2021 £	Incoming Resources £	Resources Expended £	Transfer £	Balance at 31 August 2022 £
Development Appeal	143	-	(29)	-	114
<hr/>					
31 August 2021	Balance at 1 September 2020 £	Incoming Resources £	Resources Expended £	Transfer £	Balance at 31 August 2021 £
Development Appeal	179	-	(36)	-	143
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Development Appeal: The balance represents the depreciating value of the Chelsea House furniture and equipment, which may now be used for other development purposes.

18c Unrestricted funds

31 August 2022	Balance at 1 September 2021 £	Incoming Resources £	Resources Expended £	Gains/ (Losses) £	Balance at 31 August 2022 £
General reserve	2,675,698	6,196,779	(6,015,255)	(16,383)	2,840,839
<hr/>					
31 August 2021	Balance at 1 September 2019 £	Incoming Resources £	Resources Expended £	Gains/ (Losses) £	Balance at 31 August 2021 £
General reserve	2,545,551	5,560,311	(5,442,845)	12,681	2,675,698
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ST DAVID'S COLLEGE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2022
(continued)

19 Contracts and commitments

There is a capital commitment for Nil at 31 August 2022 (2021: £Nil).

20 Operating lease

The lease, covering the school buildings and the grounds, granted by Mostyn Estates expires in 2060.

Total Future minimum lease payments:

	2022	2021
	£	£
Under 1 year	90,587	85,133
1 – 5 years	282,237	274,944
After 5 years	<u>1,213,800</u>	<u>1,178,100</u>
	<u>1,586,624</u>	<u>1,538,177</u>

The leases relate to land and buildings, minibuses and equipment.

21 Related party transactions

Charlotte Hart (Governor) is an Associate at Hill Dickinson LLP. Hill Dickinson LLP provided legal services of £11,635 (2021: £13,200) during the year. This provision is in accordance with the College's governing document. There was a balance of £nil (2021: £nil) outstanding at the end of the year.

P Gaskell (Governor) is a member of the Titus Trust who, during the previous years has conducted a summer camp at the College. There was no balance outstanding at the year end.

Lord Mostyn (Governor) is a director of Mostyn Estates Limited from whom the School leases its property under a lease which expires in 2060. The charge for the year was £ 35,700 (2021: £35,700). Mostyn Estates also charges the School buildings insurance which was £24,263 for the year (2021: £22,949). There is no balance outstanding at the year end.

ST DAVID'S COLLEGE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2022
(continued)

22 Pension costs

Teachers' Pension Scheme

The College participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff up to 30 April 2021 when it exited the scheme. The pension charge for the year includes contributions payable to the TPS of £nil (2021: £316,721) and at the year-end nil (2021 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2021, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2021 valuations.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

ST DAVID'S COLLEGE TRUST
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 August 2022
(continued)

Until the cost cap mechanism revision is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly, no provision for any additional past benefit pension costs is included in these financial statements.

Legal and General Pension Scheme

From 1 May 2021 the College participated in a Legal and General Pension Scheme for all eligible teachers. The employer contributions being 16.48%. The costs for the year represent the College's contributions to that scheme for the 12 months of £357,508 (2021: £105,133 plus TPS £316,721) with a balance unpaid at the year-end of nil (2021: nil).

Group personal pension scheme

The College also participates in two defined contribution group personal pension schemes for employees who are not eligible for membership of the Legal and General Pension Scheme. The costs for the year represent the College's contributions to those schemes of £50,685 (2021: £50,571) with a balance unpaid at the year-end of £nil (2021: £4,524).

23 Cash generated from operations

	2022	2021
	£	£
Net income for the year	174,394	109,431
Eliminations of non-operating cash flows:		
Investment income	(2,032)	(2,573)
Finance costs	6,999	9,624
Depreciation of tangible fixed assets	163,596	167,385
Profit on disposal of tangible fixed assets	-	3,952
Operating cash flows before movements in working capital	342,957	287,819
Decrease in stocks	1,604	4,640
Increase in debtors	(6,654)	(1,437)
(Decrease)/Increase in creditors (excluding fees in advance scheme)	(52,308)	178,957
Cash generated from operations	285,599	469,979