

Charity registration number 1118377

Company registration number 06053218 (England and Wales)

NEW COLLEGE WORCESTER
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

NEW COLLEGE WORCESTER

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-------------------------------|--|---|
| Trustee Governors | Mrs. D M Fulbrook OBE Mr. I A Paul Mr. S Tyler Ms. S Ayres Mrs. S Bannister Mrs. T Smith Miss N Ross Mrs. M Russell Mr R W Godfrey Mr J F Munoz Dr P A Simkiss Mr N P Duffy Lady L Morris Mrs S Lock Mrs G E Wright | (Appointed 7 July 2021) (Appointed 7 July 2021) (Appointed 9 December 2020) |
| Patrons | Lieutenant Colonel Patrick Holcroft LVO OBE Lord Faulkner of Worcester | |
| Senior Leadership Team | Miss N. Ross, Principal Mrs. V. Ward, Strategic Lead - VI Education Mrs. F. Madden, Strategic Lead - Student Progress Mr. J. Clugston - Strategic Lead - Student Wellbeing Mrs. L. Pratt, Assistant Principal: Strategic Lead Business and Finance | |
| Charity number | 1118377 | |
| Company number | 06053218 | |
| Registered office | Whittington Road Worcester WR5 2JX | |
| Auditor | Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS | |
| Bankers | Lloyds Bank Plc 4 The Cross Worcester WR1 3PY | |
| Solicitors | Thursfields 9-10 The Tything Worcester WR1 2HD | |

NEW COLLEGE WORCESTER

LEGAL AND ADMINISTRATIVE INFORMATION

Investment advisors

J. M. Finn & Co
4 Coleman Street
London
EC2R 5TA

NEW COLLEGE WORCESTER

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NEW COLLEGE WORCESTER

TRUSTEE GOVERNORS' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

The Trustee Governors present their annual report and financial statements for the year ended 31 August 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the charitable company's Memorandum & Articles of Association, the Companies Act 2006 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 2019)".

Chair's Foreword by Diana Fulbrook OBE

2020/21 was a year of continuing challenge for NCW with the evolvement of Covid-19. The start of the year saw a return of students after a period of lockdown and it was anticipated that there would be a gradual return to normal college life. This did not prove to be the case as further restrictions and preventative measures prevailed and on a daily basis the College had to deal with the anxiety of potential closure due to an occurrence of Covid. Staff and students adapted magnificently and the year was punctuated with students being sent home and staff resorting to on-line teaching. Continuity of learning and support was provided and the anxieties of staff, students and their families were very well managed by the senior leadership team.

A particular benefit of the situation was the continuing strength in the use of IT for remote learning which proved to be a good marketing opportunity. Due mainly to difficulties in mainstream schools in the provision of targeted home studying for vision impaired students, the value of NCW became clear and student numbers grew so by the end of the year the college was in a much healthier position financially. It is particularly positive that the number of Year 7 students starting this year is the highest for years. Thanks go to staff and the senior leadership team for their undoubted success in achieving this but it is an area that requires constant vigilance and active work by all.

The marketing efforts to attract international students were put on hold with Covid-19 restrictions and will be reactivated at some point in the future when it is safe to do so. Equally the normal extra benefits for students such as trips abroad and wide opportunities to demonstrate their musical and sporting skills have not been possible due to the restrictions although opportunities have been sought wherever possible. The cancellation of external exams yet again meant a focus on teacher assessments which was very time consuming but all leavers were able to go on to their place of choice with several remaining for an extra year.

The College had been particularly aware of the emotional needs of students on their return and more resources have been given to support their well-being including developing staff skills in this area. An external audit indicated a positive culture in respect of well-being and safeguarding and the recommendations are being followed through. Some students have complex mental health needs and effective partnership work between all agencies involved and families, continues to be important.

The outcome of the care staff review was put on hold due to the financial position previously but has been re-activated. Recruitment of residential staff has proved difficult so coverage has been challenging at times. The care side of the college is an essential element for the safety and well-being of students and their development of independent living skills, and particular thanks go to all staff for their commitment and dedication in delivering this. Last year again tested all staff to their limits and the Governing Body remains immensely grateful for this. The students' resilience and desire to learn has also been wonderful to see and we pay tribute to them and their parents for their inspirational response to the year's challenges. It is good to note that the auditors continue to have confidence in the improved financial position of the college and reached a positive conclusion in their report. The Governing Body would also like to particularly thank the Principal for her leadership and resilience over the past challenging year.

NEW COLLEGE WORCESTER

TRUSTEE GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities

The Charitable Company's objects are:

- To provide and promote a religious, social and academic education for young persons who are visually impaired in the United Kingdom of Great Britain and Northern Ireland, the Channel islands and the Isle of Man and elsewhere in the Commonwealth and, subject thereto, from any other part of the world, with the ancillary purpose of supporting and facilitating generally the provision of education for such young persons;
- To manage and conduct New College Worcester (incorporating Worcester College For The Blind and Chorleywood College For Girls With Little Or No Sight) (NCW) and to hold and administer its property in accordance with the provisions set out in the Charitable Company's Memorandum and Articles of Association, but in particular to secure that the religious instruction given in the College is in accordance with the Doctrines of the Church of England. The Articles of Association are due for review in 2020/21.
- To use restricted funds, legacies and endowments for the purposes stated. A legacy policy is in place to support the furtherance of this objective.

The activities of the Charitable Company during the year were in support of the objects. Further details are included within the achievements and performance section of this report.

NEW COLLEGE WORCESTER

TRUSTEE GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and performance

2020/2021 proved to be a very challenging year for everyone as the Covid pandemic continued to dominate our daily lives. NCW was no exception.

Experiencing two extended periods of lockdown, the students had to draw on their newfound technology skills, accessing all of their lessons on line during these enforced periods of home learning. Google Meet became the home of lessons, assemblies, clubs, activities and key worker meetings. Delivering lessons online was easier for some subject areas than others. However, even Mobility and PE used all of their creativity to ensure the very best was made of the situation, with students and staff alike showing resilience and determination. 'March to March' provided a much-needed opportunity for students to share their feelings and emotions about lockdown, through song, poetry, art and music. Our Lands' End to John O'Groats challenge ensured a welcome afternoon 'off timetable' as our wider community tried (and succeeded) to travel the 800-mile distance in just one afternoon.

Progress on the College Improvement Plan was inevitably impeded by the need to focus on delivering lessons from home and supporting the community to maintain positive wellbeing. However, a real highlight of the year was the success of our Outreach program. With over 100 (remote) attendees at most events, the serendipitous forced move to online delivery has really enhanced our future delivery of Outreach.

With exams cancelled and Teacher Assessed Grades providing the benchmark for year 11, 12 and 13 assessments, our cohort of leavers departed NCW looking forward to a variety of different pathways. Staff were pleased that all of our grades were accepted by the exam boards. Unusually, the majority of year 13 gained a third year of funding, enabling them to stay at NCW to ensure they achieved the A level results and independence they needed. Those leaving, departed to go to Further Education and into the world of work. Our first cohort of students also went on to begin their Internship or work experience program, spending 4 days in the world of work and one day at NCW, developing their skills. In addition, we were excited that one student joined the NCW staff team as our very first apprentice, becoming a member of our IT team.

The 2020/21 academic year challenged us all to work differently and think differently. What was not different, was the commitment and dedication shown by the staff, the perseverance and tenacity of the students and the support shown by our parents.

Thank you all.

Public Benefit

The Trustee Governors confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit.'

NCW provides an extensive outreach programme to support students with visual impairment, and the professionals working with them, across the country. Helplines are very busy and subject specialists who are also Qualified Teachers of the Visually Impaired (QTVI) are able to provide advice and guidance across all aspects of the curriculum. There are regular events throughout the academic year at the College to enable visitors to receive training and support including, for the first time this year, workshops on developing Independent Living Skills. Members of staff from the College are also able to attend other schools to provide specialist professional development.

NEW COLLEGE WORCESTER

TRUSTEE GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

The College leadership have continued with their strategy of increasing teaching income, which rose by 18.15% compared to 2019/2020. The focus has been on increasing student numbers which translates into a higher income and increased financial stability for the College. One of the effects of the Covid-19 pandemic was that some of our learners were funded for an extra year, this has resulted in an increase in students in our Sixth Form, which we anticipate will return to normal levels over the next 2 years. Total income for the year was £5,361,661 compared to £4,568,672 in the prior year.

The increased income translated into a surplus with Net Incoming Resources (after transfers between funds) on general activities for the year at £154,395 compared to £77 in 2019/2020.

Total expenditure was £4,713,155 an increase of £233,940 (5.2%) on the prior year. The College faces a backlog of maintenance and therefore expenditure in this area will continue to increase.

Donations and legacies totalled £386,491 in 2020/2021 compared to £340,675 the previous year. This includes a Teachers Pay & Pension Grant (£117,865), Devolved Formula Capital Grant/Schools Condition Funding Grant £75,190, Covid Mass Testing Grant (£21,550) and a Covid Catch Up Grant (£21,850).

General Donations reduced by £48,606 (31%) to £106,251, undoubtedly as a result of the Covid-19 pandemic.

Teaching income was not negatively affected by the pandemic as teaching once again moved to an online platform.

Endowment and other funds not needed in the short term are managed on the College's behalf by specialist investment managers JM Finn. At 31 August 2021 these investments showed an unrealised net gain in the year of £158,900 and amounted to £865,911 at the year end.

Designated funds increased by £485,622 during the year which includes additions to the General fixed asset designated fund and a Property Refurbishment fund.

Reserves Policy

Total funds held as at 31 August 2021 amounted to £15,826,004 (2020 £15,016,598). This included restricted funds of £377,308 (2020 £348,857), endowment funds of £651,665 (2020 £537,727) and designated funds of £14,674,756 (2020 £14,189,134). Designated fund explanations are included in Note 26 of the Accounts.

General unrestricted funds were £391,275 (2020 £236,880). Reserves of this level are considered low and Trustee Governors are committed to building the College reserves to £800,000 over the next few years (equal to around 2 months running costs) to secure the College's financial stability. However, the current economic and political climate continues to increase financial pressures on all providers of special education needs services given that they are funded by Local Authorities. Trustee Governors remain mindful of the uncertainties and risks but aim to improve sustainability through increasing the levels and sources of funding and continued reviews of curriculum, staffing and fees. Strategic financial management and internal control are underpinned by strong Governance arrangements and a high level of financial competence within the Governing Body. The Trustee Governors continue to receive reassurances from external Auditors that adequate systems of internal control are in place and are exercised.

NEW COLLEGE WORCESTER

TRUSTEE GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future

The Trustee Governors update their rolling 5-year Strategic Plan annually to ensure the college is best prepared to meet the increasingly challenging context. They keep abreast of the fast-changing educational landscape, political direction, and vision impairment demographics and take these into account in deciding how best to secure a sustainable future for the college. Working with the Senior Leadership Team, the Governing Body identified three key strategic priorities for 2020/21:

- All students make excellent progress
- Increase student numbers
- Secure a sustainable future for NCW

Progress with the strategic implementation plan flowing from this is closely monitored through the Governing Body's committees which take responsibility for ensuring delivery of their respective allocated objectives. Last year indicated positive outcomes in the first two priorities but much of the work identified for securing a sustainable future could not be progressed due to the Covid restrictions and capacity. The Governing Body recognised the need to focus on the first two but has now agreed to develop a long-term 10-year plan for the site and college. This provides some exciting opportunities, particularly since negotiations with the RNIB to amend the capital recovery deed were finally successful which provides the college with more autonomy and flexibility to make decisions about its usage of the site. The need to provide better residential accommodation has been prioritised and work is underway to develop plans to achieve this. The future is positive for the College, despite the unknowns about the impact of Covid-19, and Trustee Governors and the Senior Leadership Team maintain a strong commitment to work together to achieve the College's long-term aspirations, and the strategic plan.

NEW COLLEGE WORCESTER

TRUSTEE GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management

The Charitable Company is a company limited by guarantee, incorporated on 15 January 2007 and registered as a charity on 14 March 2007. The Charitable Company is governed by its Memorandum and Articles of Association dated 11 January 2007 (as amended by Special Resolution dated 6 March 2007 and further revised by special resolution dated 24 January 2012).

The Trustee Directors of the Charitable Company, known as Trustee Governors with effect from 24 January 2012, are its Trustees for the purposes of charity law and throughout this report are collectively referred to as the Trustee Governors.

The Trustee Governors, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs. D M Fulbrook OBE

Mr. I A Paul

Mr. S Tyler

Ms. S Ayres

Mrs. S Bannister

Mrs. K Holyoak

(Resigned 7 July 2021)

Mrs. T Smith

Miss N Ross

Mrs. M Russell

Mr R W Godfrey

Mr J F Munoz

Dr P A Simkiss

Mr N P Duffy

Lady L Morris

(Appointed 7 July 2021)

Mrs S Lock

(Appointed 7 July 2021)

Mrs G E Wright

(Appointed 9 December 2020)

In previous years, in accordance with the Company's Articles of Association dated 11 January 2007 (as amended by Special Resolution dated 6 March 2007) one third of the Trustee Directors, chosen by ballot, together with one co-opted Trustee Director, were re-elected with new Trustee Governors being elected at future AGMs to fill vacancies arising. However, on 24 January 2012 the Company's Articles of Association were further revised by special resolution providing, amongst other things, a) for the establishment of a Governing Body in place of a Board of Trustee Directors where there was no committee established to discharge the functions of a school governing body, and b) the appointment of Trustee Governors for a term of four years.

The Principal is an ex officio Trustee Governor and member of the Governing Body.

None of the Trustee Governors has any beneficial interest in the Charitable Company. All of the Trustee Governors are members of the Charitable Company and guarantee to contribute up to £5 in the event of its winding up.

The Trustee Governors receive training at Governing Body meetings and by course attendance, as is deemed appropriate.

NEW COLLEGE WORCESTER

TRUSTEE GOVERNORS' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2021

The Governing Body consists of at least nine and not more than fifteen individuals, all of whom must be Members. Trustee Governors must retire at the Annual General Meeting next following the fourth anniversary of their election, though they may stand for re-election. A retiring Trustee Governor who remains qualified may be re-appointed but cannot serve as a Trustee Governor for more than two four-year terms of office without a one year break.

The Trustee Governors meet regularly to manage the Charitable Company's affairs, with at least three meetings per year. A quorum of five Trustee Governors is required for each meeting.

The Principal has overall responsibility under the direction of the Governing Body for the internal organisation, management and discipline of the College and in particular for the provision, development and delivery of its education services. In consultation with the Principal the Governing Body has established a Senior Leadership Team under the chairmanship of the Principal to have responsibility for the operational management of the College. The remuneration of key management personnel is set by the Governing body.

Prior to incorporation, the operations of the Charitable Company were conducted as part of RNIB and upon incorporation RNIB and its subsidiary RNIB Services Limited transferred (by way of trust) most of the property and donated some other buildings and land, together with their associated assets, used by the Charitable Company and RNIB holds a capital recovery deed over most of the properties held by the Charitable Company, the details of which can be found elsewhere in the Accounts.

Risk Management Policy

The Trustee Governors have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks. They have established a risk management policy to identify and assess risks and to evaluate what action must be taken to mitigate risks to an acceptable level. Risks are monitored and reviewed periodically. In general, the College adopts a medium level approach to risk after mitigating actions and defines its risk appetite as 'cautious'. There are certain areas where this approach does not apply, for example safeguarding and Health and Safety, and where a more cautious approach to risk is adopted and agreed by the Governing body or its Committees.

Auditor

A resolution proposing that Kendall Wadley LLP be reappointed as auditors of the company will be put to the Members.

Disclosure of information to auditor

Each of the Trustee Governors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

The Trustee Governors' report was approved by the Board of Trustee Governors.

DM Fulbrook

Mrs. D M Fulbrook OBE

Trustee Governor

Dated: 25 May 2022

NEW COLLEGE WORCESTER

STATEMENT OF TRUSTEE GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustee Governors, who are also the directors of New College Worcester for the purpose of company law, are responsible for preparing the Trustee Governors' 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 Trustee 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 year.

In preparing these financial statements, the Trustee Governors are required to:

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

The Trustee Governors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

NEW COLLEGE WORCESTER

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEE GOVERNORS OF NEW COLLEGE WORCESTER

Opinion

We have audited the financial statements of New College Worcester (the 'charitable company') for the year ended 31 August 2021 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the statement of cash flows 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 Financial Reporting Standard 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 2021 and of its incoming resources and application of resources, 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 Trustee Governors' 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 Trustee Governors 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 annual report other than the financial statements and our auditor's report thereon. The Trustee Governors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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.

NEW COLLEGE WORCESTER

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEE GOVERNORS OF NEW COLLEGE WORCESTER

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustee Governors' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee Governors

As explained more fully in the statement of Trustee Governors' responsibilities, the Trustee Governors, who are also the directors of the charitable company for the purpose 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 Trustee Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustee Governors 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 Trustee Governors 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

- an understanding of the risk assessment process (including the assessment of the risk of fraud) adopted by the Board is obtained and their attitude to risk ascertained
- an assessment of the susceptibility to material mis-statement of the financial statements as a result of management over-ride or fraud is made
- it is ensured that the engagement team have, collectively, the appropriate competence, capabilities and skills to be involved in the assignment, are fully briefed and understand the risks specific to the charity

NEW COLLEGE WORCESTER

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEE GOVERNORS OF NEW COLLEGE WORCESTER

Audit response to risks identified

The information obtained through the assessment to risk procedures is reviewed and the following work undertaken:

- processes to test the outcomes of our assessment include, a review of Board minutes, analytical review, the relevance and accuracy of significant accounting estimates, substantive testing of significant transactions, work to identify unusual or unexpected accounting entries including the testing of journal entries, information disclosed in the financial statements is traced to supporting documentation. In all instances it is acknowledged that material misstatements that arise from fraud may involve deliberate concealment or collusion and are, therefore, by their very nature harder to detect than those arising from error.

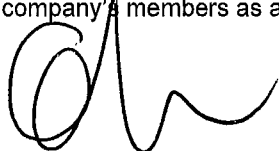
- an understanding of the legal and regulatory framework as applicable to the charity is obtained together with knowledge of the procedures put in place by the charity in order to comply with the same

It should be noted that Auditing standards limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Elizabeth Needham ACA CTA (VAT) (Senior Statutory Auditor)
for and on behalf of Kendall Wadley LLP

25 May 2022

Chartered Accountants
Statutory Auditor

Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Kendall Wadley LLP is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

NEW COLLEGE WORCESTER

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2021

| | | Unrestricted funds general | Unrestricted funds Designated | Unrestricted funds Pension Scheme | Restricted funds | Endowment funds | Total 2021 | Total 2020 |
|--|-------|----------------------------------|-------------------------------------|--|---------------------|--------------------|------------------|------------------|
| | Notes | £ | £ | £ | £ | £ | £ | £ |
| Income and endowments from: | | | | | | | | |
| Donations and legacies | 3 | 225,991 | - | - | 160,500 | - | 386,491 | 340,675 |
| Charitable activities | 4 | 4,804,010 | - | - | 97,460 | - | 4,901,470 | 4,148,662 |
| Other trading activities | 5 | 7,324 | - | - | - | - | 7,324 | 5,357 |
| Investments | 6 | 37,118 | - | - | 15,859 | - | 52,977 | 62,690 |
| Other income | 7 | 13,399 | - | - | - | - | 13,399 | 11,288 |
| Total income | | 5,087,842 | - | - | 273,819 | - | 5,361,661 | 4,568,672 |
| Expenditure on: | | | | | | | | |
| Raising funds | 8 | 69,724 | 5,529 | - | - | - | 75,253 | 54,221 |
| Charitable activities | 9 | 4,392,031 | 166,143 | 3,000 | 76,728 | - | 4,637,902 | 4,424,994 |
| Total resources expended | | 4,461,755 | 171,672 | 3,000 | 76,728 | - | 4,713,155 | 4,479,215 |
| Net gains on investments | 13 | 8,920 | - | - | 36,042 | 113,938 | 158,900 | 1,929 |
| Net incoming resources before transfers | | 635,007 | (171,672) | (3,000) | 233,133 | 113,938 | 807,406 | 91,386 |
| Gross transfers between funds | 14 | (480,612) | 657,294 | 28,000 | (204,682) | - | - | - |
| Net incoming resources | | 154,395 | 485,622 | 25,000 | 28,451 | 113,938 | 807,406 | 91,386 |
| Carried forward | | 154,395 | 485,622 | 25,000 | 28,451 | 113,938 | 807,406 | 91,386 |

NEW COLLEGE WORCESTER

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

| | | | | | | | |
|--|----------------|-------------------|------------------|----------------|----------------|-------------------|-------------------|
| Brought forward | 154,395 | 485,622 | 25,000 | 28,451 | 113,938 | 807,406 | 91,386 |
| Other recognised gains and losses | | | | | | | |
| Actuarial gain/(loss) on defined benefit pension schemes | - | - | 2,000 | - | - | 2,000 | (3,000) |
| Net movement in funds | 154,395 | 485,622 | 27,000 | 28,451 | 113,938 | 809,406 | 88,386 |
| Fund balances at 1 September 2020 | 236,880 | 14,189,134 | (296,000) | 348,857 | 537,727 | 15,016,598 | 14,928,212 |
| Fund balances at 31 August 2021 | 391,275 | 14,674,756 | (269,000) | 377,308 | 651,665 | 15,826,004 | 15,016,598 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

NEW COLLEGE WORCESTER

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Prior year

| | | Unrestricted funds general | Unrestricted funds Designated | Unrestricted funds Pension Scheme | Restricted funds | Endowment funds | Total 2020 |
|--|-------|----------------------------------|-------------------------------------|--|---------------------|--------------------|------------------|
| | Notes | £ | £ | £ | £ | £ | £ |
| <u>Income and endowments from:</u> | | | | | | | |
| Donations and legacies | 3 | 143,440 | - | - | 197,235 | - | 340,675 |
| Charitable activities | 4 | 4,148,503 | - | - | 159 | - | 4,148,662 |
| Other trading activities | 5 | 4,421 | - | - | 936 | - | 5,357 |
| Investments | 6 | 44,453 | - | - | 18,237 | - | 62,690 |
| Other income | 7 | 11,288 | - | - | - | - | 11,288 |
| Total income | | 4,352,105 | - | - | 216,567 | - | 4,568,672 |
| <u>Expenditure on:</u> | | | | | | | |
| Raising funds | 8 | 49,551 | 4,670 | - | - | - | 54,221 |
| Charitable activities | 9 | 4,205,879 | 148,915 | 3,000 | 67,200 | - | 4,424,994 |
| Total resources expended | | 4,255,430 | 153,585 | 3,000 | 67,200 | - | 4,479,215 |
| Net gains on investments | 13 | (255) | - | - | 525 | 1,659 | 1,929 |
| Net incoming resources before transfers | | 96,420 | (153,585) | (3,000) | 149,892 | 1,659 | 91,386 |
| Gross transfers between funds | 14 | (96,343) | 166,370 | 27,000 | (97,027) | - | - |
| Net incoming resources | | 77 | 12,785 | 24,000 | 52,865 | 1,659 | 91,386 |
| Carried forward | | 77 | 12,785 | 24,000 | 52,865 | 1,659 | 91,386 |

NEW COLLEGE WORCESTER

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

| | | | | | | |
|--|----------------|-------------------|------------------|----------------|----------------|-------------------|
| Brought forward | 77 | 12,785 | 24,000 | 52,865 | 1,659 | 91,386 |
| Other recognised gains and losses | | | | | | |
| Actuarial gain/(loss) on defined benefit pension schemes | - | - | (3,000) | - | - | (3,000) |
| Net movement in funds | 77 | 12,785 | 21,000 | 52,865 | 1,659 | 88,386 |
| Fund balances at 1 September 2019 | 236,803 | 14,176,349 | (317,000) | 295,992 | 536,068 | 14,928,212 |
| Fund balances at 31 August 2020 | 236,880 | 14,189,134 | (296,000) | 348,857 | 537,727 | 15,016,598 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

NEW COLLEGE WORCESTER

SUMMARY INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

| | All income funds | |
|--------------------------------------|------------------|-----------|
| | 2021 | 2020 |
| | £ | £ |
| Gross income | 5,361,661 | 4,568,672 |
| Gains on investments | 44,962 | 270 |
| | <hr/> | <hr/> |
| Total income in the reporting period | 5,406,623 | 4,568,942 |
| | <hr/> | <hr/> |
| Total expenditure from income funds | 4,713,155 | 4,479,215 |
| | <hr/> | <hr/> |
| Net income for the year | 693,468 | 89,727 |
| | <hr/> | <hr/> |

NEW COLLEGE WORCESTER

BALANCE SHEET

AS AT 31 AUGUST 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|--|-------|-------------------|---|-------------------|---|
| Fixed assets | | | | | |
| Tangible assets | 15 | 14,711,199 | | 14,522,965 | |
| Investments | 16 | 865,911 | | 707,186 | |
| | | <u>15,577,110</u> | | <u>15,230,151</u> | |
| Current assets | | | | | |
| Debtors | 17 | 82,141 | | 73,544 | |
| Cash at bank and in hand | | 1,357,225 | | 834,597 | |
| | | <u>1,439,366</u> | | <u>908,141</u> | |
| Creditors: amounts falling due within one year | 18 | <u>(739,683)</u> | | <u>(628,307)</u> | |
| Net current assets | | 699,683 | | 279,834 | |
| Total assets less current liabilities | | <u>16,276,793</u> | | <u>15,509,985</u> | |
| Creditors: amounts falling due after more than one year | 20 | (181,789) | | (197,387) | |
| Provisions for liabilities | 22 | (269,000) | | (296,000) | |
| Net assets | | <u>15,826,004</u> | | <u>15,016,598</u> | |
| Capital funds | | | | | |
| Endowment funds | 24 | 651,665 | | 537,727 | |
| Income funds | | | | | |
| Restricted funds | 25 | 377,308 | | 348,857 | |
| Unrestricted funds - Designated | 26 | 14,674,756 | | 14,189,134 | |
| Unrestricted funds - General | | 391,275 | | 236,880 | |
| Unrestricted funds - Pension Scheme | | (269,000) | | (296,000) | |
| | | <u>15,826,004</u> | | <u>15,016,598</u> | |

NEW COLLEGE WORCESTER

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

The Trustee Governors' responsibilities for ensuring that the charitable company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The accounts were approved by the Trustee Governors on 25 May 2022



Mrs. D M Fulbrook OBE
Trustee

Company Registration No. 06053218

NEW COLLEGE WORCESTER

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|---|-------|-----------|-----------|-----------|----------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 32 | | 872,057 | | 603,919 |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (359,907) | | (190,271) | |
| Proceeds on disposal of tangible fixed assets | | - | | 1,898 | |
| Purchase of investments | | (46,133) | | (38,514) | |
| Proceeds on disposal of investments | | 46,308 | | 239,245 | |
| Interest received | | 52,977 | | 22,879 | |
| Net cash (used in)/generated from investing activities | | | (306,755) | | 35,237 |
| Financing activities | | | | | |
| Repayment of bank loans | | (14,674) | | (13,788) | |
| Repayment of pension fund deficit | | (28,000) | | (27,000) | |
| Net cash used in financing activities | | | (42,674) | | (40,788) |
| Net increase in cash and cash equivalents | | | 522,628 | | 598,368 |
| Cash and cash equivalents at beginning of year | | | 834,597 | | 236,229 |
| Cash and cash equivalents at end of year | | | 1,357,225 | | 834,597 |

NEW COLLEGE WORCESTER

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the Trustee Governors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Accounting policies

Company information

New College Worcester is a private company limited by guarantee incorporated in England and Wales. The registered office is New College Worcester, Whittington Road, Worcester, WR5 2JX.

2.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 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 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

2.2 Going concern

The Covid-19 pandemic has had a positive impact on the College with additional funding made available to secure places for students, enhancing pupil numbers in the current financial year. Other sources of funding are under constant review and applied for where possible. In addition, freehold property currently not used in the activities of the College has been identified and is being marketed for sale, this will provide a further cash injection to the charity. On this basis the Trustee Governors have a reasonable expectation that the charitable company will have adequate resources to continue for a period of at least twelve months from the date of approval to the financial statements and continue to adopt the going concern basis of accounting.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustee Governors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Trustee Governors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts,

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

2 Accounting policies

(Continued)

Expendable endowment funds are subject to specific conditions by donors that the funds must be invested to produce income by the charitable company.

2.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Restricted grant income is recognised on a receivable basis. Unrestricted grant income is recognised over the period to which it relates.

School fees are recognised during the school term to which they relate.

Investment income is recognised on a receivable basis and is apportioned between the funds which comprise the Investment Trust Pool in the ratio of the shares held by each fund at the beginning of the accounting period after all charges and levies which apply to the Trust Pool have been met from that income and 5% of the net income remaining has been paid over to the College as general revenue to meet the cost of administering the Investment Trust Pool.

Other incoming resources are on a receivable basis over the period to which they relate.

2.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All expenditure is accounted for on an accruals basis inclusive of irrecoverable VAT.

Costs of generating funds relate to expenditure directly attributable of fundraising activities.

Charitable expenditure comprises those costs directly attributable to the Charitable Company's work.

Governance costs comprise the costs which are directly attributable to the management of the Charitable Company's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements.

Governance costs have been allocated to academic charitable activities.

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Accounting policies

(Continued)

Support costs are apportioned over the charitable activities of the Charitable Company on a percentage of staff costs basis.

Postage and stationery and computer costs are apportioned between academic and support costs based on estimated usage prior to the apportionment of support costs between the charitable activities of the Charitable Company.

2.6 Tangible fixed assets

Tangible fixed assets other than freehold land are stated at cost less depreciation.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|----------------------|-----------------------------------|
| Freehold land | is not depreciated |
| Freehold buildings | straight line basis over 50 years |
| Plant and Machinery | straight line basis over 5 years |
| Fixture and Fittings | straight line basis over 5 years |
| Motor Vehicles | straight line basis over 5 years |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

2.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

2.8 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Accounting policies

(Continued)

2.9 Cash and cash equivalents

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

2.10 Financial instruments

The charitable company 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 instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

2.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Accounting policies

(Continued)

2.12 Retirement benefits

The charitable company operates two defined benefit pension schemes.

The Teachers' Pension Scheme forms part of a multi-employer scheme and, therefore, it is unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reliable basis. As such the contributions are accounted for as if the scheme were defined contribution and charged as they become payable.

The Pensions Trust scheme also forms part of a multi-employer scheme, however, sufficient information is available to be accounted for as a defined benefit scheme.

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as incurred.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in income/(expenditure) for the year.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other recognised gains and losses in the period in which they occur and are not reclassified to income/(expenditure) in subsequent periods.

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Accounting policies

(Continued)

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

3 Donations and legacies

| | Unrestricted funds general £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|-----------------------------------|---------------------------------------|--------------------------|--------------------|--------------------|
| Donations and gifts | 73,536 | 32,715 | 106,251 | 154,857 |
| Legacies receivable | 12,000 | - | 12,000 | 122 |
| Other specified income as below | 140,455 | 127,785 | 268,240 | 185,696 |
| | <u>225,991</u> | <u>160,500</u> | <u>386,491</u> | <u>340,675</u> |
| For the year ended 31 August 2020 | <u>143,440</u> | <u>197,235</u> | | <u>340,675</u> |
| Legacies receivable | | | | |
| Joan Tavira | 12,000 | - | 12,000 | - |
| J Hunt | - | - | - | 2,000 |
| J Jarvis | - | - | - | (1,878) |
| | <u>12,000</u> | <u>-</u> | <u>12,000</u> | <u>122</u> |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

3 Donations and legacies

(Continued)

| | Unrestricted funds general £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|---|---------------------------------------|--------------------------|--------------------|--------------------|
| Grants receivable for core activities | | | | |
| Teachers Pay & Pension Grant | 117,865 | - | 117,865 | 102,391 |
| COVID Mass Testing Grant | 21,550 | - | 21,550 | - |
| Access to Work | 1,040 | - | 1,040 | - |
| EFA Bursary Fund Grant | - | 1,864 | 1,864 | 2,760 |
| Devolved Formula Capital Grant/School Condition Grant | - | 75,190 | 75,190 | 42,185 |
| DMF Ellis Charitable Trust Grant | - | - | - | 2,000 |
| The Eveson Charitable Trust Grant | - | - | - | 10,000 |
| Worcester Community Foundation Grant | - | - | - | 3,200 |
| Worshipful Company of Spectacle Makers Grant | - | - | - | 3,500 |
| Baron Davenport Charitable Trust Grant | - | 804 | 804 | 1,500 |
| Beatrice Lang Trust Grant | - | - | - | 5,400 |
| Edward Cadbury Charitable Trust Grant | - | - | - | 4,200 |
| Dumbreck Charity Grant | - | - | - | 1,000 |
| Bernard Sunley Charitable Foundation Grant | - | - | - | 5,000 |
| Pupil Premium Funding | - | 18,072 | 18,072 | 2,560 |
| Celebration Day | - | 190 | 190 | - |
| COVID Catch Up Grant | - | 21,850 | 21,850 | - |
| Birkdale Trust HI Pillow Pads | - | 1,000 | 1,000 | - |
| Michael Watson Charitable Trust | - | 2,000 | 2,000 | - |
| Squire Foundation | - | 5,000 | 5,000 | - |
| ESFA Free School Meals | - | 1,815 | 1,815 | - |
| | <u>140,455</u> | <u>127,785</u> | <u>268,240</u> | <u>185,696</u> |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Charitable activities

| | Teaching income | Music lessons for students | Student contributions to outdoor pursuits | Kitchen sales | Outreach and support income | Student activities including overseas school trips | Total 2021 | Total 2020 |
|-------------------------------------|-----------------|----------------------------|---|---------------|-----------------------------|--|------------|------------|
| | £ | £ | £ | £ | £ | £ | £ | £ |
| Income within charitable activities | 4,874,151 | 11,728 | 449 | 509 | 14,466 | 167 | 4,901,470 | 4,148,662 |
| Analysis by fund | | | | | | | | |
| Unrestricted funds - general | 4,776,858 | 11,728 | 449 | 509 | 14,466 | - | 4,804,010 | |
| Restricted funds | 97,293 | - | - | - | - | 167 | 97,460 | |
| | 4,874,151 | 11,728 | 449 | 509 | 14,466 | 167 | 4,901,470 | |
| For the year ended 31 August 2020 | | | | | | | | |
| Unrestricted funds - general | 4,124,581 | 6,524 | 4,474 | 1,486 | 11,438 | - | | 4,148,503 |
| Restricted funds | - | - | - | - | - | 159 | | 159 |
| | 4,124,581 | 6,524 | 4,474 | 1,486 | 11,438 | 159 | | 4,148,662 |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

5 Fundraising activities

| | Unrestricted funds general £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|--|---------------------------------------|--------------------------|--------------------|--------------------|
| Leavers dinner income | - | - | - | 840 |
| Other fundraising income | 7,324 | - | 7,324 | 4,517 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| For the year ended 31 August 2020 | 4,421 | 936 | | 5,357 |
| | <u> </u> | <u> </u> | | <u> </u> |

6 Investments

| | Unrestricted funds general £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|--|---------------------------------------|--------------------------|--------------------|--------------------|
| Swimming pool and other hire | 36,138 | - | 36,138 | 40,726 |
| Income from listed investments | 835 | 15,859 | 16,694 | 21,828 |
| Interest receivable | 145 | - | 145 | 136 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | 37,118 | 15,859 | 52,977 | 62,690 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| For the year ended 31 August 2020 | 44,453 | 18,237 | | 62,690 |
| | <u> </u> | <u> </u> | | <u> </u> |

Hire income and interest receivable on cash balances other than those held by the Investment Manager are recognised on a receivable basis and accrue to general revenue.

Investment income is recognised on a receivable basis and is apportioned between the funds which comprise the Investment Trust Pool in the ratio of the share held by each fund at the beginning of the accounting period after all charges and levies which apply to the Trust Pool have been met from that income and 5% of net income remaining has been paid over to the College as general revenue to meet the cost of administering the Investment Trust Pool.

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

7 Other income

| | 2021 | 2020 |
|---|---------------|---------------|
| | £ | £ |
| Net gain on disposal of tangible fixed assets | - | 1,898 |
| Other income | 13,399 | 9,390 |
| | <u>13,399</u> | <u>11,288</u> |

8 Raising funds

| | Unrestricted funds general | Unrestricted funds Designated | Total 2021 | Total 2020 |
|--|-------------------------------|----------------------------------|---------------|---------------|
| | £ | £ | £ | £ |
| <u>Fundraising and publicity</u> | | | | |
| Fundraising Strategy Planning | 2,635 | - | 2,635 | 1,992 |
| Fundraising activities expenditure | 727 | - | 727 | 300 |
| Staff costs | 66,362 | - | 66,362 | 47,259 |
| Depreciation and impairment | - | 5,529 | 5,529 | 4,670 |
| | <u>69,724</u> | <u>5,529</u> | <u>75,253</u> | <u>54,221</u> |
| For the year ended 31 August 2020 | | | | |
| Fundraising and publicity | <u>49,551</u> | <u>4,670</u> | | <u>54,221</u> |
| Fundraising activities expenditure: | | | | |
| Leavers dinner expenditure | | | 727 | 300 |
| | | | <u>727</u> | <u>300</u> |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Charitable activities

| | Teaching | Student care | Kitchen and domestic | Specific purpose projects | Total 2021 | Total 2020 |
|---|------------------|------------------|----------------------|---------------------------|------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Staff costs | 2,216,478 | 884,423 | 130,253 | - | 3,231,154 | 3,054,840 |
| Depreciation and impairment | 111,589 | 20,221 | 20,221 | 14,112 | 166,143 | 148,915 |
| Staff Training | 5,383 | 2,830 | - | - | 8,213 | 23,382 |
| Books and materials | 19,495 | - | - | - | 19,495 | 19,301 |
| Outdoor pursuits | 4,738 | - | - | - | 4,738 | 922 |
| Educational visits | 3,918 | - | - | - | 3,918 | 15,502 |
| Student external courses | 2,376 | - | - | - | 2,376 | 1,907 |
| Postage and stationery | 19,553 | - | - | - | 19,553 | 17,935 |
| Computer costs | 8,133 | - | - | - | 8,133 | 10,599 |
| Repairs and maintenance | 138,000 | - | - | - | 138,000 | 91,586 |
| Sundry | 3,037 | 3,051 | - | - | 6,088 | 23,654 |
| Bad debts | 9,848 | - | - | - | 9,848 | (1,377) |
| Subscriptions | 10,285 | - | - | - | 10,285 | 10,845 |
| Prizes for students | 1,057 | - | - | - | 1,057 | 747 |
| Examination fees | 7,244 | - | - | - | 7,244 | 8,034 |
| Medical costs | - | 1,352 | - | - | 1,352 | 6,014 |
| Cleaning | - | - | 6,376 | - | 6,376 | 3,561 |
| Food Costs | - | - | 175,721 | - | 175,721 | 140,179 |
| Outreach | - | - | - | 110 | 110 | 300 |
| College Improvement Plan | - | - | - | (35) | (35) | 9,009 |
| Restricted fund projects | - | - | - | 1,733 | 1,733 | 26,977 |
| Pension fund interest | 4,815 | - | - | - | 4,815 | 2,608 |
| | <u>2,565,949</u> | <u>911,877</u> | <u>332,571</u> | <u>15,920</u> | <u>3,826,317</u> | <u>3,615,440</u> |
| Share of support costs (see note 11) | 521,464 | 203,039 | 29,850 | - | 754,353 | 733,363 |
| Share of governance costs (see note 11) | 57,232 | - | - | - | 57,232 | 76,191 |
| | <u>3,144,645</u> | <u>1,114,916</u> | <u>362,421</u> | <u>15,920</u> | <u>4,637,902</u> | <u>4,424,994</u> |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Charitable activities

(Continued)

Analysis by fund

| | | | | | |
|---------------------------------|------------------|------------------|----------------|---------------|------------------|
| Unrestricted funds - general | 2,955,061 | 1,094,695 | 342,200 | 75 | 4,392,031 |
| Unrestricted funds - Designated | 111,589 | 20,221 | 20,221 | 14,112 | 166,143 |
| Unrestricted funds - pension | 3,000 | - | - | - | 3,000 |
| Restricted funds | 74,995 | - | - | 1,733 | 76,728 |
| | <u>3,144,645</u> | <u>1,114,916</u> | <u>362,421</u> | <u>15,920</u> | <u>4,637,902</u> |

For the year ended 31 August 2020

| | | | | | |
|---------------------------------|------------------|----------------|----------------|---------------|------------------|
| Unrestricted funds - general | 2,970,377 | 959,605 | 266,588 | 9,309 | 4,205,879 |
| Unrestricted funds - Designated | 99,830 | 18,368 | 18,368 | 12,349 | 148,915 |
| Unrestricted funds - pension | 3,000 | - | - | - | 3,000 |
| Restricted funds | 40,223 | - | - | 26,977 | 67,200 |
| | <u>3,113,430</u> | <u>977,973</u> | <u>284,956</u> | <u>48,635</u> | <u>4,424,994</u> |

10 Trustee Governors

None of the Trustee Governors (or any persons connected with them) received any remuneration or benefits from the charitable company during the year, and none of them were reimbursed travelling and related expenses (2020 - one Trustee Governor received £328).

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

11 Support costs

| | Support costs £ | Governance costs £ | 2021 £ | 2020 £ | Basis of allocation |
|---|--------------------|-----------------------|----------------|----------------|---------------------|
| Staff costs | 434,997 | 15,742 | 450,739 | 428,279 | |
| Administration staff training | 2,504 | - | 2,504 | 4,986 | |
| Premises repairs and maintenance | 73,179 | - | 73,179 | 60,759 | |
| Rates and water | 4,718 | - | 4,718 | 3,255 | |
| Heat and light | 111,377 | - | 111,377 | 106,944 | |
| Insurance | 39,723 | - | 39,723 | 38,427 | |
| Transport costs | 16,840 | - | 16,840 | 15,151 | |
| Postage and stationery | 11,403 | - | 11,403 | 11,884 | |
| Telephone | 6,946 | - | 6,946 | 6,848 | |
| Equipment repairs and maintenance | 2,201 | - | 2,201 | 3,642 | |
| Computer costs | 27,658 | - | 27,658 | 31,171 | |
| Adverts for recruitment of staff | 3,681 | - | 3,681 | 23 | |
| Marketing of the activities of the school | 12,890 | - | 12,890 | 28,840 | |
| Loan interest | 6,236 | - | 6,236 | 7,985 | |
| Audit and accountancy | - | 7,200 | 7,200 | 7,200 | Governance |
| Legal and professional fees | - | 30,855 | 30,855 | 43,444 | Governance |
| Bank charges | - | (2,458) | (2,458) | 6,063 | Governance |
| Travel expenses | - | - | - | 435 | Governance |
| Investment management fees | - | 5,893 | 5,893 | 4,218 | Governance |
| | <u>754,353</u> | <u>57,232</u> | <u>811,585</u> | <u>809,554</u> | |
| Analysed between | | | | | |
| Charitable activities | <u>754,353</u> | <u>57,232</u> | <u>811,585</u> | <u>809,554</u> | |

Postage and stationery, and computer costs are apportioned between academic and support costs based on estimated usage prior to the appointment of support costs between the charitable activities of the Charitable Company.

Legal and professional fees includes OFSTED annual fees and general corporate advice.

Other support costs are apportioned over the charitable activities of the Charitable Company on a percentage of staff costs basis.

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

11 Support costs

(Continued)

Included in staff costs is £15,742 (2020 - £14,831) for company secretarial and governance time.

Governance costs includes payments to the auditors of £7,200 (2020 - £7,200) for audit fees and accounts preparation.

12 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2021 Number | 2020 Number |
|----------------|----------------|----------------|
| Academic | 56 | 60 |
| Care | 41 | 38 |
| Domestic | 20 | 17 |
| Administration | 17 | 17 |
| | <u>134</u> | <u>132</u> |

Employment costs

| | 2021 £ | 2020 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 2,980,213 | 2,813,629 |
| Social security costs | 251,712 | 236,779 |
| Other pension costs | 516,330 | 479,970 |
| | <u>3,748,255</u> | <u>3,530,378</u> |

The agreed staffing establishment full time equivalents decreased from 86.85 to 86.46 during the year. In addition there are 31 (2020 - 37) staff employed on a casual/seasonal basis for instrumental music lessons and to assist with scribing, reading and invigilating for examinations.

The number of employees whose annual remuneration was £60,000 or more were:

| | 2021 Number | 2020 Number |
|---------------------|----------------|----------------|
| £60,001 - £70,000 | 1 | 1 |
| £90,001 - £100,000 | - | 1 |
| £100,001 - £110,000 | 1 | - |
| | <u>1</u> | <u>1</u> |

Of the employees whose emoluments exceed £60,000, all employees have retirement benefits accruing under multi-employer defined benefit pension schemes. Total employer pensions contributions for the year for these employees amounted to £38,971 (2020 - £37,446).

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Net gains/(losses) on investments

| | Unrestricted funds general £ | Restricted funds £ | Endowment funds £ | Total 2021 £ | Total 2020 £ |
|--|---------------------------------------|--------------------------|-------------------------|--------------------|--------------------|
| Revaluation of investments | 8,346 | 33,721 | 106,602 | 148,669 | (202) |
| Gain/loss on sale of investments | 574 | 2,321 | 7,336 | 10,231 | 2,131 |
| | <u>8,920</u> | <u>36,042</u> | <u>113,938</u> | <u>158,900</u> | <u>1,929</u> |
| For the year ended 31 August 2020 | <u>(255)</u> | <u>525</u> | <u>1,659</u> | | <u>1,929</u> |

14 Transfers

During the year £19,516 was transferred from restricted funds to unrestricted funds to cover restricted wage expenditure. £28,000 was released from unrestricted funds to the Pension Scheme reserve.

£220,508 was transferred from restricted funds to the general fixed asset designated fund to reflect the movements in tangible fixed assets in the year.

The Trustee Governors have designated a sum of £400,000 to fund a property refurbishment programme and a transfer from unrestricted funds to designated funds has been made.

15 Tangible fixed assets

| | Freehold land £ | Plant and Machinery £ | Fixture and Motor Vehicles Fittings £ | Total £ |
|------------------------------------|--------------------|-----------------------------|---|-------------------|
| Cost | | | | |
| At 1 September 2020 | 14,780,369 | 663,386 | 342,112 | 15,848,124 |
| Additions | 257,353 | 76,334 | 19,770 | 359,907 |
| Disposals | - | (91,352) | (24,110) | (118,042) |
| At 31 August 2021 | <u>15,037,722</u> | <u>648,368</u> | <u>337,772</u> | <u>16,089,989</u> |
| Depreciation and impairment | | | | |
| At 1 September 2020 | 595,234 | 448,916 | 222,688 | 1,325,159 |
| Depreciation charged in the year | 61,084 | 72,982 | 35,663 | 171,673 |
| Eliminated in respect of disposals | - | (91,352) | (24,110) | (118,042) |
| At 31 August 2021 | <u>656,318</u> | <u>430,546</u> | <u>234,241</u> | <u>1,378,790</u> |
| Carrying amount | | | | |
| At 31 August 2021 | <u>14,381,404</u> | <u>217,822</u> | <u>103,531</u> | <u>14,711,199</u> |
| At 31 August 2020 | <u>14,185,135</u> | <u>214,470</u> | <u>119,424</u> | <u>14,522,965</u> |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

15 Tangible fixed assets

(Continued)

Included in land and buildings is freehold land with a net book value of £164,000.

During the year ended 31 March 2008 trusteeship of land and buildings of market value of £12,520,425 was transferred from Royal National Institute of Blind People and its subsidiary RNIB Services Limited to New College Worcester, subject to a capital recovery deed whereby if the property is sold prior to 8 June 2028, which would require written consent and confirmation that the consideration of such a sale is not below market value from RNIB, then the Charitable Company shall pay RNIB the lower of 82% of the consideration of sale plus VAT and £5,000,000 plus VAT.

Subsequent to the balance sheet date a deed of variation has been entered into whereby by agreement with RNIB proceeds of a permitted disposal may be invested into alternative premises that deliver services to the blind and partially sighted.

16 Fixed asset investments

| | 2021 £ | 2020 £ |
|---|-----------|--------------------|
| Listed investments | 865,911 | 707,186 |
| Movements in fixed asset investments | | |
| | | Total £ |
| Cost or valuation | | |
| At 31 August 2020 | | 707,186 |
| Additions | | 46,133 |
| Valuation changes | | 158,900 |
| Disposals | | (46,308) |
| At 31 August 2021 | | 865,911 |
| Carrying amount | | |
| At 31 August 2021 | | 865,911 |
| At 31 August 2020 | | 707,186 |

17 Debtors

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Amounts falling due within one year: | | |
| Trade debtors | 13,979 | - |
| Other debtors | 22,590 | 33,625 |
| Prepayments and accrued income | 45,572 | 39,919 |
| | 82,141 | 73,544 |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Creditors: amounts falling due within one year

| | Notes | 2021 £ | 2020 £ |
|------------------------------------|-------|----------------|----------------|
| Bank loans | 21 | 14,664 | 13,740 |
| Other taxation and social security | | 65,236 | 55,695 |
| Deferred income | 19 | 446,000 | 372,423 |
| Trade creditors | | 46,111 | 109,000 |
| Other creditors | | 106,825 | 26,667 |
| Accruals | | 60,847 | 50,782 |
| | | <u>739,683</u> | <u>628,307</u> |

19 Deferred income

| | 2021 £ | 2020 £ |
|-----------------------|-----------|-----------|
| Other deferred income | 446,000 | 372,423 |

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| School fee income received in advance | 439,893 | 370,148 |
| Swimming pool and other hire income received in advance | 1,750 | - |
| Hire an apprentice grant | 3,000 | - |
| Other income | 1,357 | 2,275 |
| | <u>446,000</u> | <u>372,423</u> |

20 Creditors: amounts falling due after more than one year

| | Notes | 2021 £ | 2020 £ |
|----------------------|-------|-----------|-----------|
| Loans and overdrafts | 21 | 181,789 | 197,387 |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

21 Loans and overdrafts

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Bank loans | 196,453 | 211,127 |
| Payable within one year | 14,664 | 13,740 |
| Payable after one year | 181,789 | 197,387 |
| Amounts included above which fall due after five years: | | |
| Payable by instalments | 113,160 | 127,834 |

22 Provisions for liabilities

| | Notes | 2021 £ | 2020 £ |
|--------------------------------|-------|-----------|-----------|
| Retirement benefit obligations | 23 | 269,000 | 296,000 |
| | | 269,000 | 296,000 |

23 Retirement benefit schemes

Teachers' Pension Scheme

The charitable company pays pension contributions on behalf of its employees into this multi-employee defined benefit pension scheme. The contributions amounted £294,941 (2020 - £289,393) into Teachers' Pension Scheme (Scheme ref 8857019), Mowden Hall, Darlington, County Durham, DL3 9EE.

The charitable company has not been notified by Teachers' Pension Scheme as to the estimated employer debt on withdrawal from the Teachers' Pension Scheme. However, resource accounts as at 31 March 2021 show the net liability of the scheme to be £481.1 billion (2020 - £432.2 billion). As at 31 March 2021, 11,885 employers were participating in the scheme, made up of 172 Local Authorities, 8,930 Academies, 1,248 Independent establishments, 322 Free Schools, 876 Others and 337 Further and Higher education institutions.

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

23 Retirement benefit schemes

(Continued)

The Pensions Trust Scheme

The college participates in The Pensions Trust Independent Schools' Pension Scheme, a multi-employer scheme which provides benefits to some 66 non-associated employers. The scheme is a defined benefit scheme in the UK.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2017. This actuarial valuation was certified on 27 December 2018 and showed assets of £149.4m, liabilities of £187.6m and a deficit of £38.2m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from all employers, to the scheme as follows:

From 1 September 2019 to 30 April 2030 : £2.39m per annum (payable monthly and increasing by 3% on each 1st September)

The scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £110.0m, liabilities of £147.4m and a deficit of £37.4m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

From 1 September 2016 to 31 August 2029 : £2.34m per annum (payable monthly and increasing 3% on each 1st September)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Movements in the present value of defined benefit obligations:

Key assumptions

| | 2021 | 2020 |
|-----------------------------|-------|-------|
| Discount rate (% per annum) | 1.09% | 0.90% |

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Actuarial revaluation | (2,000) | 3,000 |
| Net interest on defined benefit liability/(asset) | 3,000 | 3,000 |
| Total costs | 1,000 | 6,000 |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

23 Retirement benefit schemes

(Continued)

The amounts included in the balance sheet arising from the charitable company's obligations in respect of defined benefit plans are as follows:

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| Present value of defined benefit obligations | 269,000 | 296,000 |
| Deficit in scheme | <u>269,000</u> | <u>296,000</u> |

Movements in the present value of defined benefit obligations:

| | 2021 £ |
|---------------------------------|----------------|
| Liabilities at 1 September 2020 | 296,000 |
| Actuarial revaluation | (2,000) |
| Deficit contributions paid | (28,000) |
| Interest cost | 3,000 |
| At 31 August 2021 | <u>269,000</u> |

The defined benefit obligations arise from plans funded as follows:

| | 2021 £ |
|-------------------------------------|----------------|
| Wholly unfunded obligations | - |
| Wholly or partly funded obligations | 269,000 |
| | <u>269,000</u> |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

24 Endowment funds

Endowment funds represent assets which must be held permanently by the charitable company. Income arising on the endowment funds can be used in accordance with the objects of the charitable company and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

| | Balance at 1 September 2019 £ | Movement in funds | | | | Balance at 1 September 2020 £ | Movement in funds | | | | Balance at 31 August 2021 £ |
|-----------------------------|--|----------------------------|----------------------------|----------------|--|--|----------------------------|----------------------------|----------------|--|--------------------------------------|
| | | Incoming resources £ | Resources expended £ | Transfers £ | Revaluations gains and losses £ | | Incoming resources £ | Resources expended £ | Transfers £ | Revaluations gains and losses £ | |
| Permanent endowments | | | | | | | | | | | |
| Additional | | | | | | | | | | | |
| Scholarship | | | | | | | | | | | |
| Fund | 3,241 | - | - | - | 10 | 3,251 | - | - | - | 702 | 3,953 |
| Bonham Fund | 1,844 | - | - | - | 6 | 1,850 | - | - | - | 399 | 2,249 |
| College Prize | | | | | | | | | | | |
| Fund | 3,908 | - | - | - | 12 | 3,920 | - | - | - | 847 | 4,767 |
| De Cordova | 12,790 | - | - | - | 40 | 12,830 | - | - | - | 2,771 | 15,601 |
| Eric Hamilton | | | | | | | | | | | |
| Tucker Trust | 415,893 | - | - | - | 1,317 | 417,210 | - | - | - | 90,431 | 507,641 |
| General | | | | | | | | | | | |
| Endowments | 3,681 | - | - | - | 12 | 3,693 | - | - | - | 798 | 4,491 |
| Gullick Bequest | 70,040 | - | - | - | 221 | 70,261 | - | - | - | 15,170 | 85,431 |
| Hexall | | | | | | | | | | | |
| Foundation | 3,787 | - | - | - | 12 | 3,799 | - | - | - | 820 | 4,619 |
| Higby Fund | 1,660 | - | - | - | 5 | 1,665 | - | - | - | 359 | 2,024 |
| Scholarship | | | | | | | | | | | |
| Foundation | 7,576 | - | - | - | 24 | 7,600 | - | - | - | 1,641 | 9,241 |
| C/fwd | 524,420 | - | - | - | 1,659 | 526,079 | - | - | - | 113,938 | 640,017 |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

| 24 | Endowment funds | (Continued) | | | | | | | | | | |
|----|--|----------------------------|----------------------------|----------------|--|--|----------------------------|----------------------------|----------------|--|--------------------------------------|---------|
| | | Movement in funds | | | | | | Movement in funds | | | | |
| | Balance at 1 September 2019 £ | Incoming resources £ | Resources expended £ | Transfers £ | Revaluations gains and losses £ | Balance at 1 September 2020 £ | Incoming resources £ | Resources expended £ | Transfers £ | Revaluations gains and losses £ | Balance at 31 August 2021 £ | |
| | B/fwd | 524,420 | - | - | - | 1,659 | 526,079 | - | - | - | 113,938 | 640,017 |
| | Expendable endowments | | | | | | | | | | | |
| | General Purpose | 11,648 | - | - | - | - | 11,648 | - | - | - | - | 11,648 |
| | Bequests | 536,068 | - | - | - | 1,659 | 537,727 | - | - | - | 113,938 | 651,665 |

Endowment Funds are held to provide income for scholarships, prizes, grants for activities at the College and towards the students' further education. Income generated from these funds is attributed to the associated restricted fund. Further details of these funds can be found in the restricted fund note.

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Movement in funds | | | | | |
|---|-----------------------------------|-----------------------|-----------------------|-----------|--------------------------------------|---------------------------------|
| | Balance at 1 September 2020 | Incoming resources | Resources expended | Transfers | Revaluations, gains and losses | Balance at 31 August 2021 |
| | £ | £ | £ | £ | £ | £ |
| Devolved Formula | | | | | | |
| Capital Grant/School | | | | | | |
| Condition Grant | 3,648 | 75,190 | (963) | (41,970) | - | 35,905 |
| EFA Bursary Fund Grant | 7,233 | 1,864 | (7,603) | - | - | 1,494 |
| Lightmongers Affiliation | 1,168 | - | (200) | - | - | 968 |
| Pupil Premium Funding | 6,645 | 9,073 | (7,054) | - | - | 8,664 |
| Archive Fund | 2,817 | - | - | - | - | 2,817 |
| Surgery Refurbishment | 1,000 | - | (989) | - | - | 11 |
| Bransford Trust - Art | 2,649 | - | - | - | - | 2,649 |
| Lochness Marathon - curriculum project | 300 | - | - | - | - | 300 |
| Gym Girls - Bradnack House Garden | 295 | - | - | - | - | 295 |
| Six Masters Charities - sleeping bags | 203 | - | (203) | - | - | - |
| Science Project | 114 | 200 | (25) | - | - | 289 |
| Bransford Trust Facilities | 177 | - | - | - | - | 177 |
| Ogden Trust | 992 | - | - | - | - | 992 |
| N Gunston - LRC centre | 50 | - | - | - | - | 50 |
| Goalball kit | 37 | - | - | - | - | 37 |
| Christmas concert | 279 | - | - | - | - | 279 |
| Clarvis Phillip Jackson | 4,789 | - | (4,341) | - | - | 448 |
| The Beatrice Laing Trust | 2,280 | - | - | (648) | - | 1,632 |
| IT Designated Fund | - | 97,293 | (10,613) | (51,960) | - | 34,720 |
| Mental Health | 27,959 | 11,000 | (17,769) | - | - | 21,190 |
| KS3 Lunchtime Activities | 542 | - | (135) | - | - | 407 |
| Y7 Catch up | 1,000 | - | (1,000) | - | - | - |
| NCW Youth Club | 3 | - | (3) | - | - | - |
| VICTA | 1,500 | - | - | - | - | 1,500 |
| VI Specialist Equipment | 3,508 | - | 2,764 | (5,357) | - | 915 |
| Classroom refurbishment | 85,611 | 13,500 | (634) | (84,359) | - | 14,118 |
| Beach Day | 250 | - | - | - | - | 250 |
| Celebration Day - awards fund | 327 | 190 | (517) | - | - | - |
| DFE Maintenance | 4,650 | - | - | - | - | 4,650 |
| C/fwd | 160,026 | 208,310 | (49,285) | (184,294) | - | 134,757 |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

25 Restricted funds

(Continued)

| | Balance at 1 September 2020 | Incoming resources | Movement in funds | | | Balance at 31 August 2021 |
|------------------------------------|-----------------------------------|-----------------------|-----------------------|-----------|--------------------------------------|---------------------------------|
| | £ | £ | Resources expended | Transfers | Revaluations, gains and losses | £ |
| B/fwd | 160,026 | 208,310 | (49,285) | (184,294) | - | 134,757 |
| Music Tour | 2,775 | 200 | - | - | - | 2,975 |
| Minibus | 9,598 | - | (2,604) | - | - | 6,994 |
| British Council Erasmus project | 4,942 | - | - | - | - | 4,942 |
| Lifts campaign | - | 16,302 | - | (16,302) | - | - |
| Lower School Activities | 11 | - | - | - | - | 11 |
| Staff room refurb | 712 | - | (238) | - | - | 474 |
| College Car | 10,904 | - | (4,120) | - | - | 6,784 |
| Science Club | 204 | - | - | - | - | 204 |
| Leavers Dinner | 144 | 167 | (311) | - | - | - |
| Judo Fund | 260 | - | - | - | - | 260 |
| Activity Week | 74 | 1,937 | (1,933) | - | - | 78 |
| Play Equipment | - | 804 | - | - | - | 804 |
| Orbit Braille Readers | - | 5,000 | - | (4,086) | - | 914 |
| COVID tests | - | 236 | (236) | - | - | - |
| Garden | - | 89 | (89) | - | - | - |
| Free School Meals | - | 1,815 | (1,815) | - | - | - |
| COVID Catch up Grant | - | 21,850 | (2,234) | - | - | 19,616 |
| Pillow pads | - | 1,000 | (435) | - | - | 565 |
| Kitchen equipment | - | 250 | (160) | - | - | 90 |
| C/fwd | 189,650 | 257,960 | (63,460) | (204,682) | - | 179,468 |

Associated funds: The Charitable Company as Trustee administers these funds under their existing trusts

| | | | | | | |
|--------------------------------|--------|--------|----------|---|--------|--------|
| Additional Scholarship Fund | 1,728 | 132 | - | - | 532 | 2,392 |
| Bonham Fund | 660 | 53 | - | - | 105 | 818 |
| College Prize Fund | 252 | 91 | - | - | 11 | 354 |
| De Cordova Fund | 23,923 | 638 | - | - | 3,227 | 27,788 |
| Eric Hamilton Tucker trust | 52,043 | 11,705 | - | - | 19,678 | 83,426 |
| Gullick Bequest | 54,356 | 2,546 | (13,268) | - | 8,782 | 52,416 |
| Hextall Foundation | 15,446 | 302 | - | - | 2,020 | 17,768 |
| Higby Fund | 4,884 | 114 | - | - | 713 | 5,711 |
| Scholarship Foundation | 5,915 | 278 | - | - | 974 | 7,167 |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Restricted funds

(Continued)

| | | | | | |
|----------------|----------------|-----------------|------------------|---------------|----------------|
| <u>348,857</u> | <u>273,819</u> | <u>(76,728)</u> | <u>(204,682)</u> | <u>36,042</u> | <u>377,308</u> |
| <u>348,857</u> | <u>273,819</u> | <u>(76,728)</u> | <u>(204,682)</u> | <u>36,042</u> | <u>377,308</u> |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

25 Restricted funds

(Continued)

| Prior year | Movement in funds | | | | | Balance at 31 August 2020 |
|---|-----------------------------|--------------------|--------------------|-----------|--------------------------------|---------------------------|
| | Balance at 1 September 2019 | Incoming resources | Resources expended | Transfers | Revaluations, gains and losses | |
| | £ | £ | £ | £ | £ | £ |
| Devolved Formula Capital Grant/School Condition Grant | 28,009 | 42,185 | (7,409) | (59,137) | - | 3,648 |
| EFA Bursary Fund Grant | 8,069 | 2,760 | (3,596) | - | - | 7,233 |
| Lightmongers Affiliation | 1,168 | - | - | - | - | 1,168 |
| Pupil Premium Funding | 12,335 | 2,560 | (8,250) | - | - | 6,645 |
| Archive Fund | 2,817 | - | - | - | - | 2,817 |
| Surgery Refurbishment | 1,000 | - | - | - | - | 1,000 |
| Bransford Trust - Art | 2,899 | - | (250) | - | - | 2,649 |
| Lochness Marathon - curriculum project | 300 | - | - | - | - | 300 |
| Gym Girls - Bradnack House Garden | 295 | - | - | - | - | 295 |
| 150 Years Celebrations | 42 | - | (42) | - | - | - |
| Six Masters Charities - sleeping bags | 203 | - | - | - | - | 203 |
| Science Project | 460 | 31 | (377) | - | - | 114 |
| Bransford Trust Facilities | 177 | - | - | - | - | 177 |
| Ogden Trust | 992 | - | - | - | - | 992 |
| N Gunston - LRC centre | 50 | - | - | - | - | 50 |
| Goalball kit | 37 | - | - | - | - | 37 |
| Christmas concert | 279 | - | - | - | - | 279 |
| Clarvis Phillip Jackson | 5,187 | - | (398) | - | - | 4,789 |
| The Beatrice Laing Trust | 2,500 | - | (220) | - | - | 2,280 |
| IT Designated Fund | - | - | (14,816) | 14,816 | - | - |
| Mental Health | 8,857 | 19,200 | (98) | - | - | 27,959 |
| KS3 Lunchtime Activities | 542 | - | - | - | - | 542 |
| Y7 Catch up | 1,000 | - | - | - | - | 1,000 |
| NCW Youth Club | 27 | 126 | (150) | - | - | 3 |
| VICTA | 1,500 | - | - | - | - | 1,500 |
| VI Specialist Equipment | 3,508 | - | - | - | - | 3,508 |
| Classroom refurbishment | - | 90,600 | (4,989) | - | - | 85,611 |
| Beach Day | 250 | - | - | - | - | 250 |
| C/fwd | 82,503 | 157,462 | (40,595) | (44,321) | - | 155,049 |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Restricted funds

(Continued)

| | Balance at 1 September 2018 | Incoming resources | Movement in funds | | Revaluations, gains and losses | Balance at 31 August 2019 |
|---------------------------------|-----------------------------------|-----------------------|-----------------------|-----------|-----------------------------------|---------------------------------|
| | £ | £ | Resources expended | Transfers | £ | £ |
| B/fwd | 82,503 | 157,462 | (40,595) | (44,321) | - | 155,049 |
| Celebration Day awards fund | - | 792 | (465) | - | - | 327 |
| DFE Maintenance | 29,154 | - | (4,496) | (20,008) | - | 4,650 |
| Music Tour | - | 2,775 | - | - | - | 2,775 |
| Sensory Garden | 181 | - | (181) | - | - | - |
| Minibus | 797 | 8,801 | - | - | - | 9,598 |
| Davenport Games Consoles | 220 | 500 | (720) | - | - | - |
| British Council Erasmus project | 8,394 | 1,614 | (5,066) | - | - | 4,942 |
| Lifts campaign | 26,698 | 6,000 | - | (32,698) | - | - |
| Activity Week | - | 159 | (85) | - | - | 74 |
| Staff room refurb | 150 | 1,025 | (463) | - | - | 712 |
| College Car | 3,500 | 10,000 | (2,596) | - | - | 10,904 |
| Science Club | 300 | - | (96) | - | - | 204 |
| Lower School Activities | - | 30 | (19) | - | - | 11 |
| Currie Garden Plaque | - | 800 | (800) | - | - | - |
| Leavers Dinner | - | 840 | (696) | - | - | 144 |
| Judo Fund | - | 260 | - | - | - | 260 |
| C/fwd | 151,897 | 191,058 | (56,278) | (97,027) | - | 189,650 |

Associated funds: The Charitable Company as Trustee administers these funds under their existing trusts

| | | | | | | |
|-----------------------------|---------|---------|----------|----------|-----|---------|
| Additional Scholarship Fund | 1,569 | 151 | - | - | 8 | 1,728 |
| Bonham Fund | 597 | 61 | - | - | 2 | 660 |
| College Prize Fund | 22 | 105 | 125 | - | - | 252 |
| De Cordova Fund | 23,142 | 734 | - | - | 47 | 23,923 |
| Eric Hamilton Tucker trust | 41,321 | 20,532 | (10,097) | - | 287 | 52,043 |
| Gullick Bequest | 52,050 | 3,128 | (950) | - | 128 | 54,356 |
| Hextall Foundation | 15,070 | 347 | - | - | 29 | 15,446 |
| Higby Fund | 4,743 | 131 | - | - | 10 | 4,884 |
| Scholarship Foundation | 5,581 | 320 | - | - | 14 | 5,915 |
| | 295,992 | 216,567 | (67,200) | (97,027) | 525 | 348,857 |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

25 Restricted funds

(Continued)

Details of the purpose of the main restricted funds are given below, A number of smaller value funds (<£500) also exist arising from donations from individuals or specific fund raising activities.

DFC (Devolved Formula Capital)/Schools Condition Grant - For improvements to buildings and other facilities, including Information Communication Technology.

EFA Bursary Fund Grant - Grant funding targeted for student experiencing the greatest financial disadvantages and / or course-related costs.

Lightmongers Affiliation - Contributions towards costs of association with Lightmongers.

Pupil Premium Funding - Government funding to raise the attainment of disadvantaged pupils.

Archive Fund - Donation to support the archiving of NCW documents.

Surgery Refurbishment - Donations towards medical room.

Bransford Trust (Art) - Donations towards Visiting Artists.

The Ogden Trust - Donation for the Physics department.

Clarvis Phillip Jackson - to be used within the music department.

The Beatrice Laing Trust - Donation towards blackout blinds in Chapel.

IT Designated Fund - College restricted fund for students' IT equipment.

Mental Health - For the provision of counselling services.

KS3 Lunchtime Activities - Resources for Lunch Clubs.

Y7 Catch up - Department of Education funding received for the educational benefit of a specific student

VICTA - Support for students applying for University.

VI Specialist Equipment - Up to date ICT equipment for generic use in College.

Classroom refurbishment - In support of a room modernisation programme.

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Restricted funds

(Continued)

DFE Maintenance - (Devolved Formula Capital allocation) - For maintenance to buildings and other facilities.

Music Tour - Income received to enable pupils to go on a Music Tour.

Minibus - Donations towards the lease of a minibus..

Davenport Games Consoles - Donations towards the purchase of games consoles for boarding students.

British Council Erasmus project - Funding received by British Council for Erasmus programmes, where students engage in educational opportunities such as travelling abroad to gain work experience.

Lifts campaign - Mixture of grant funding and donations received for a new lift to be incorporated into the science department.

Staff Room refurbishment - College restricted fund in support of a room modernisation programme.

College Car - Donation towards the lease of a college car.

Currie Plaque - Donation to replace plaque in Currie garden.

Judo Fund - paid by parents for Judo lessons.

Activity Week - Donations towards activities taking place.

Baron Davenports Mental Health - Funding received to provide support through therapy sessions for a specific student

Associated Funds

Additional Scholarship Foundation - Scholarships and grants for students and to establish students in the world.

Bonham Fund - Prize for student entering University to read Mathematics.

College Prize Fund - Various annual prizes and awards.

De Cordova Fund - Scholarships to enter University to take up a literary career.

Eric Hamilton Tucker Trust - Grants to enable students to travel abroad.

Gullick Bequest - Holiday grants to students.

Hextall Foundation - Scholarships post New College Worcester for education or travel.

Higby Fund - Grants to students wishing to enter Oxford University.

Scholarship Foundation - Scholarships at NCW or at University / College or promotes education generally.

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

26 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Balance at 1 September 2019 £ | Resources expended £ | Transfers £ | Balance at 1 September 2020 £ | Resources expended £ | Transfers £ | Balance at 31 August 2021 £ |
|--|--|----------------------------|----------------|--|----------------------------|----------------|--------------------------------------|
| Properties transferred under trust by RNIB | 12,064,412 | (37,309) | - | 12,027,103 | (37,309) | - | 11,989,794 |
| General fixed asset designated fund | 2,111,937 | (116,276) | 166,370 | 2,162,031 | (134,363) | 257,294 | 2,284,962 |
| Property refurbishment | - | - | - | - | - | 400,000 | 400,000 |
| | <u>14,176,349</u> | <u>(153,585)</u> | <u>166,370</u> | <u>14,189,134</u> | <u>(171,672)</u> | <u>657,294</u> | <u>14,674,756</u> |

The Trustee Governors have designated the properties previously held under trust by RNIB as these properties are subject to a capital recovery deed.

During the year ended 31 March 2008 land and buildings of market value of £12,520,425 were transferred from Royal National Institute of Blind People and its subsidiary RNIB Services Limited to New College Worcester, subject to a capital recovery deed whereby if the property is sold prior to 8 June 2028, which would require written consent and confirmation that the consideration of such a sale is not below market value from RNIB, then the Charitable Company shall pay RNIB the lower of 82% of the consideration of sale plus VAT and £5,000,000 plus VAT.

The Charitable Company assigns all fixed assets purchased with restricted funds and certain fixed assets purchased with unrestricted funds to a designated fund. This is done to ensure that the Charitable Company will have suitable level of reserves to meet future depreciation costs relating to these fixed assets and to recognise the fact that future depreciation charges will not directly affect the net operating capital of the Charitable Company. The fund also includes assets purchased with funds donated to the school specifically for the purchase of such assets.

The Trustee Governors have designated a sum of £400,000 for the purpose of undertaking a programme of property refurbishment.

FOR THE YEAR ENDED 31 AUGUST 2021

- 50 -

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

| | | |
|-------------------------------|-------------|-------------|
| 28 Capital commitments | 2021 | 2020 |
| | £ | £ |

At 31 August 2021 the charitable company had capital commitments as follows:

Contracted for but not provided in the financial statements:

| | | |
|--|-------------------|-------------------|
| Acquisition of property, plant and equipment | 7,421 | - |
| | <u> </u> | <u> </u> |

29 Events after the reporting date

In February 2022 the College was subject to an Ofsted inspection which resulted in a very disappointing report on some aspects of service provision.

The Inspectors made many positive comments in their report, stating that children have fun and make progress. Students shared with the inspectors their positive experiences of being with other children, having friendships and being part of a community. They reported that their emotional well-being improves. The Inspectors noted that students' independence skills improve over time and that the care of children was observed to be warm, calm and reassuring.

The report, however, highlighted a number of areas where work needs to be undertaken in order to meet the standards required. A comprehensive action plan was immediately put into place to address every area where it was suggested there should be improvements and when Ofsted visited in May 2022, they were happy with the progress made.

Further visits from Ofsted are expected to monitor continued progress against the action plan and it is expected that a further full inspection will be undertaken in the coming months.

30 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | | |
|----------------------------|-------------------|-------------------|
| | 2021 | 2020 |
| | £ | £ |
| Within one year | 18,568 | 25,505 |
| Between two and five years | 28,291 | 46,858 |
| | <u> </u> | <u> </u> |
| | 46,859 | 72,363 |
| | <u> </u> | <u> </u> |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

31 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, is as follows.

| | 2021 £ | 2020 £ |
|------------------------|-----------|-----------|
| Aggregate compensation | 452,629 | 431,422 |

No guarantees have been given or received.

One of the Trustee Governors had one child attend the College during the year. The standard College fees for this student were paid for by Westminster City Council as the relevant Local Authority.

N Duffy (Trustee) is also a director of Dolphin Computer Access Limited. During the year the Charity made purchases of £3,759 (2020: £3,759) from Dolphin Computer Access Limited. The amount outstanding at the year end was £nil (2020: £nil).

S Ayres (Trustee) is also a Trustee of Baron Davenport's Charity. During the year the Charity received donations and grants of £2,804 (2020: £2,000) from Baron Davenport's Charity. The amount outstanding at the year end was £nil (2020: £nil).

| 32 Cash generated from operations | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Surplus for the year | 809,406 | 88,386 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (52,977) | (21,964) |
| Gain on disposal of tangible fixed assets | - | (1,898) |
| Gain on disposal of investments | (10,231) | (2,131) |
| Fair value gains and losses on investments | (148,669) | 202 |
| Depreciation and impairment of tangible fixed assets | 171,673 | 153,585 |
| Pension deficit | 1,000 | 6,000 |
| Movements in working capital: | | |
| (Increase)/decrease in debtors | (8,597) | 368,890 |
| Increase/(decrease) in creditors | 36,875 | (163,213) |
| Increase in deferred income | 73,577 | 176,062 |
| Cash generated from operations | 872,057 | 603,919 |

NEW COLLEGE WORCESTER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

33 Analysis of changes in net funds

| | At 1 September 2020 £ | Cash flows £ | Transfers £ | At 31 August 2021 £ |
|--|-----------------------------|-----------------|----------------|---------------------------|
| Cash at bank and in hand | 834,597 | 522,628 | - | 1,357,225 |
| Loans falling due within one year | (13,740) | 14,674 | (15,598) | (14,664) |
| Loans falling due after more than one year | (197,387) | - | 15,598 | (181,789) |
| | <u>623,470</u> | <u>537,302</u> | <u>-</u> | <u>1,160,772</u> |

